CIVIL SERVICE Journal

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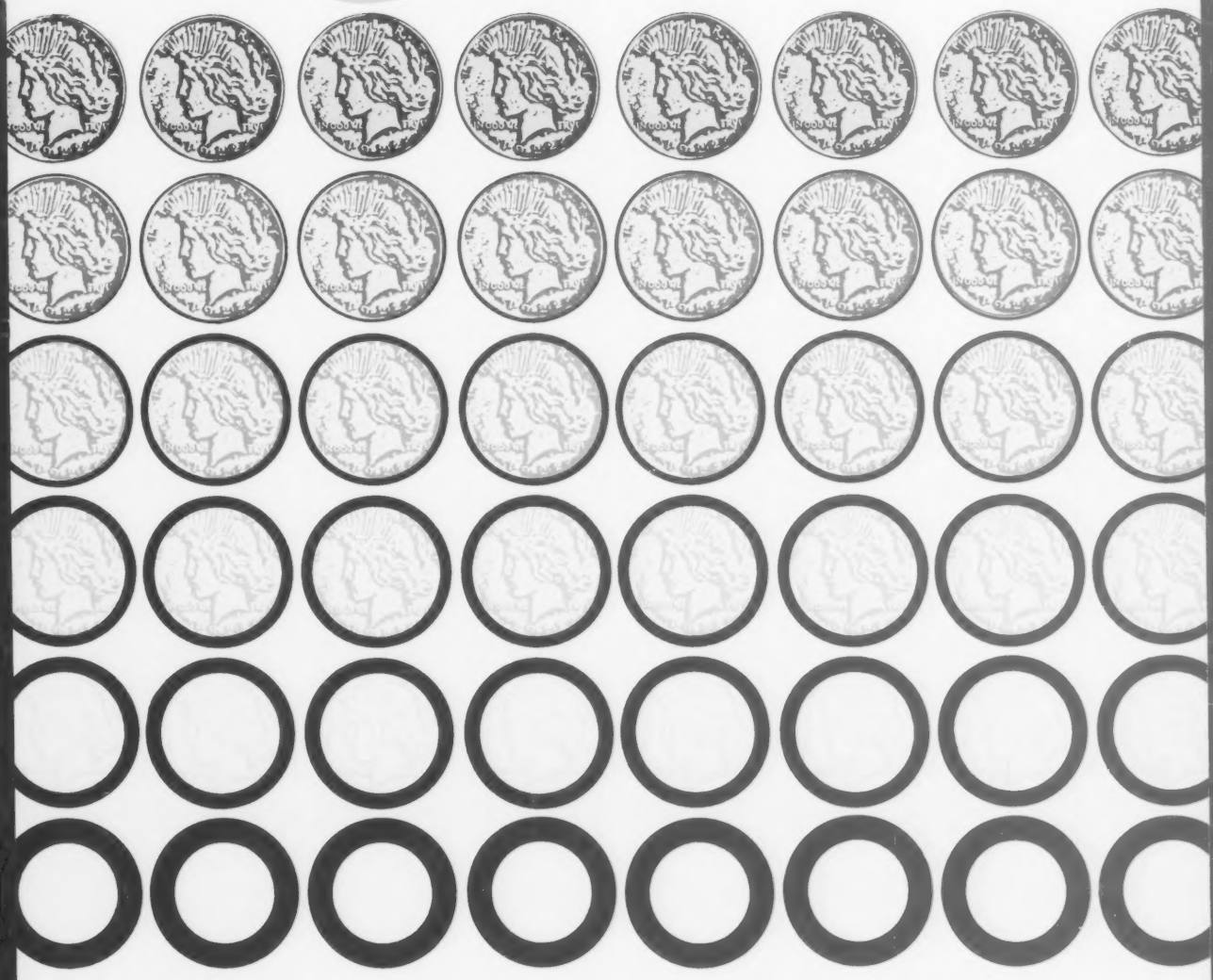

U.S. Civil Service Commission

CIVIL SERVICE Journal

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U.S. CIVIL SERVICE COMMISSION

Chairman Alan K. Campbell — *Vice Chairman* Jule M. Sugarman

Commissioner Ersa H. Poston — *Executive Director* Raymond Jacobson

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outlines...

Change within the Federal Government is never more evident, never the subject of more attention than when a new administration takes office. Yet the job of a Federal manager is constantly influenced by change. New techniques in personnel administration, new developments in technology, new laws or new interpretations of old laws—all occur every day and all affect Federal managers.

The *Journal's* job is to help keep you alerted to these changes. To do this, the *Journal* itself must be flexible and ready to adapt to new conditions. For some time we have been working on a number of ideas to enable the *Journal* to better serve your needs. Considering all the attention currently given to change, we thought this to be an appropriate time to begin implementing some of these ideas.

Beginning in this issue, therefore, we will be adding some new wrinkles to the *Journal*. If an article is timely and of general interest, we will run it, even if it contains views not necessarily those of the Commission. Don Dillin's article on part-time employment (p. 34) is an excellent example. We also expect to start a Letters to the Editor column, where you can voice you comments about articles you've read, or raise new topics you would like discussed. Beyond that, we encourage your unsolicited manuscripts.

We want to get you more involved, get you to participate in the magazine rather than just glance through it. We may try something offbeat, like the crossword puzzle in this issue. If you have to read the articles more carefully to complete the puzzle, or if the puzzle tempts you to carry the *Journal* to lunch (or even home), then it will have served its purpose. We want each issue to stimulate you, to challenge you, and to make you look forward to the next one.

All the changes that we are making or contemplating are intended to improve our service to you. Whether these changes accomplish this purpose is for you to decide, but we need to learn the results of your decision. Let us know what you like about the *Journal*, would like to see dropped or added, and we will try to be responsive. Our purpose, after all, is to provide you with the magazine you want to read.

NEW CSC CHAIRMAN MEETS THE PRESS

"I start out with a bias in favor of the career service"

Less than a week after the Senate confirmation of his appointment to the Civil Service Commission, Alan K. ("Scotty") Campbell met the press as the new Chairman of a new Commission. He introduced Commission nominees Ersa Poston and Jule Sugarman, who did not participate in the conference since the Senate had not yet acted on their appointments at the time of the May 9 press briefing. Representatives of more than a dozen newspapers and other media were in attendance.

In an opening statement and in candid response to questions, Chairman Campbell offers a view of what he sees ahead for the Commission and for Federal employees serving a government in transition. The *Journal* hopes that its readers—Federal managers in particular—will find in these press conference excerpts a challenge to participate with enthusiasm and hope in a revitalization of our governmental process.

We welcome your comments.

THIS IS going to be an activist Commission.

We intend to involve ourselves continuously and in depth in the work of the Commission.

By law most of the administrative authority of the Commission is delegated to the Chairman, but within that framework there will be a division of responsibilities within the Commission. Different areas are assigned to different members of the Commission, who serve in an advisory role to the Chairman.

We are under instructions from the President to begin immediately an examination of the functions, activities, and organization of the Civil Service Commission.

We accept that challenge gladly because we have a strong belief that there are things that need doing, that need examining. And that it should be a bottom to top effort to get at what it is that the Commission does—whether it is doing all the things it ought to do, whether there are some things it should not be doing. Or is it doing the right things, but in the wrong way?

Having determined the answers to those questions, we have to see what organizational changes are needed in order to accomplish the goals of the Commission.

I think it's fair to say that the Commission in general . . . and certainly I personally . . . have a very strong commitment to a career service, and the role and function of the career service in the governmental system.

There are inevitably tensions between the policy side . . . or as some would say, "the political side" of government . . . and the career side. But it is inevitably the case that as the new appointees in a new administration assume their responsibilities in their various departments and agencies, they come over time to develop a very high regard for the career service and the function and role of the career people.

I do not say that to suggest in any way that the role of the policy people is inappropriate, nor to suggest that there are unsolvable difficulties in that interface between the policy and political people on one side and the career people on the other. However, even though it may be a relationship with considerable tension, it is a relationship that often produces very positive results.

In the reorganization efforts we intend to organize internally, creating a task force made up of people within the agency as well as people from line agencies in the Federal Government, with some people from the outside to aid us in the effort.

We intend to move quickly to make changes as we go along . . . particularly where it is possible to do so administratively, rather than to wait for a grandiose general overhaul.

Nonetheless, the long run may prove that we need new legislation, and if our conclusions do come out that way we will indeed make such a recommendation to Congress.

Some of the issues we will be concerned with certainly include the oft-made recommendation that there be some kind of division between the policy-making and administrative side of the Commission on the one hand and the appellate side of the Commission on the other.

We will, as I've also suggested, look at the interface between career people and political people, and I hope we can design a system that will move in the direction of making it more possible for career people to move to even higher levels in the Federal Government than they have in the past.

But for that to happen they also have to be willing to take some risks, in that such positions cannot be made permanent. They must be willing to move in and out, perhaps with some kind of guarantee about rights to move back into the regular career service. I believe there is room in the system for more career people to serve in top-level positions. This issue is another that will be analyzed by our task force.

The President's Panel on Federal Compensation, headed by then Vice President Rockefeller, dealt with the issue of whether certain white-collar positions in the general competitive service should be moved to a kind of prevailing rate pay level rather than the national pay level. That recommendation will be analyzed, as will the whole field of labor-management relations and the question of the current legal status of those relationships, and whether there is a need to move beyond the current Executive order to a more permanent kind of system.

We need to examine carefully the affirmative action program in the Federal Government . . . whether we're doing as well as we ought to be doing. And I think we can start out by saying we're not, so the real issue here is how can we do better?

Finally, there is the inevitable need to seek a balance between employee rights and managerial prerogatives. This is not a problem you can ever solve for all time, but one you live with and work with in an attempt to create a balance that takes into account the needs of both parties.

The tasks ahead will not be easy to accomplish. Nonetheless, we believe that the system needs careful analysis, and perhaps some changes.

And with that little bit of introduction, I am willing to respond to any questions . . . or as I say in the classroom, listen to any comments.

Press: Mr. Campbell, what is your opinion of the President's proposed Code of Ethics for Government employees?

Chairman: I strongly support the President's Code of Ethics. As you may know, I testified on behalf of it before the Senate Governmental Affairs Committee.

I recognize that there are some who believe it goes too far in in-

vading privacy, but being a public servant carries with it special obligations. And the revealing and reporting of circumstances that can possibly give the impression of conflict of interest is a way of holding such conflicts to a minimum.

I believe the direction the President is moving in this legislation, as well as the Committee bill, are moves in the right direction.

Press: The Civil Service Commission acts as an equal opportunity employer and supposedly will be setting the patterns. In view of the fact that there actually is not equitable consideration given to blacks as well as other minorities, the Civil Service Commission through the years has been challenged on that particular point. What can you do?

Chairman: Certainly this Commission intends, the three of us intend, to make the Civil Service Commission a leader in the field of equal rights and affirmative action.

An examination is now underway to determine, in fact, what kinds of changes are needed in order to move more positively in that direction.

I think it is fair to say that the will in the Commission to do that is very, very strong. I come out of a background where I've personally been involved in this field in terms of employment within universities, and I intend to continue the kind of interest I have traditionally had in this field, so I hope we will convince you in a relatively short period of time that we mean business.

Press: During your confirmation hearing, you spoke about bringing political appointees into the Civil Service Commission. Which levels do you envision bringing these people into?

Chairman: Two levels, at least. One is special assistants to the Commissioners. And in that case we are not talking about large numbers, but about confidential Schedule C type positions as well as NEA supergrade positions. They will help the Commission in carrying out its policy functions.

In the case of the task force on reorganization, we will look for the very best people we can and in some instances they may be people from outside the Commission, and perhaps outside the career service.

In terms of top-level administrators, we do not currently plan any shifts of those positions from the career service to Schedule C or policy appointments, but I think I speak for my colleagues in saying that we do intend to examine that possibility.

Press: I keep hearing from a lot of agencies that they have vacancies they're trying to fill and the paperwork is just too sluggish and it takes weeks and weeks. Can you give us (a) your view of that problem and (b) any figures you have on vacancies that are unfilled because of bottlenecks?

"...I have a very strong commitment to a career service, and the role and function of the career service in the governmental system"

Chairman: I've heard the same complaints you've heard and we are in the process of examining the time involved and the unfilled-vacancies question. I met with the Cabinet on these issues, and I'm having individual meetings with Cabinet and sub-Cabinet people to discuss with them their specific problems.

We intend to listen carefully to the agencies, and to be as responsive to their needs as possible within the guidelines and framework of the rules and regulations of the Commission.

Press: Have you conferred with the Justice Department or Attorney General Bell about their investigation into abuses by the last administration?

Chairman: I have talked to the Justice Department—I have not talked to Attorney General Bell, I've talked to Assistant Attorney General Civiletti—to determine where that investigation stands, and he assured me the investigation is proceeding. I asked that he expedite it as much as possible and he assured me that he would.

Press: There's the usual confrontation between the White House and the career bureaucracy. In a recent story in the Washington *Star*, Jim King used the word "responsiveness," which we heard, I think, two and a half or three years ago . . . responsiveness of the bureaucracy . . . and it was an allusion of course to additional political appointees. And there was talk about jobs being shifted from the career service, or from the political side into the career service. Do you exect to have this on-going war with the administration? Trying to protect the bureaucracy, trying to fight to keep it from being too politicized, because it seems they're moving in that direction again? The more things change, the more they're the same.

Chairman: There are several questions in that. Let me, to use your word, be as "responsive" as I can. I do not think there is a war, nor do I think there is going to be a continuing war. The President in meeting with the three of us assured us of our independence in relation to these matters.

Secondly, I think there's inevitably a shakedown period for a new administration as it attempts to get underway. And in that process there is a desire . . . and it seems to me an appropriate desire . . . for people to bring in those with whom they are accustomed to working. The question is whether the number of appointees in Schedule C and NEA appointments are sufficient to provide the kind of aid needed at the highest levels.

Whether that number is adequate, I don't think we really know. My guess is that as the administration settles in and goes about its business, there will be less concern than there now is about that. And by the way, many of the departments and agencies that are under instructions from the President to cut down their top staff are not filling all their political and Schedule C positions. By policy intent, they are not doing so.

As to whether people from previous administrations were able to retain jobs in the new administration, I find that is a very complicated question to get an answer to. Let me tell you what I know about it.

First of all, there have been practically no conversions of Schedule C jobs to career jobs. Now, I'm talking about positions, not people.

And we have hard numbers on that.

It is possible, however, for people in Schedule C jobs to move in a variety of ways into already existing career jobs.

If they already have Federal service, they may be reinstated.

If they were formerly employed either in the White House or on the Hill, they need only meet the minimum requirements to become eligible for Federal career service jobs. This is done under law—a law that we simply carry out.

We do not have hard numbers on how many people . . . those in policy or political jobs, or call them what you may . . . have moved into the career service. It is our judgment, however, based on a system of monitoring, that they have been very few in number.

Press: I wonder if you could expand a little on what you said in your early outline encouraging career civil servants to move on to the top jobs and take some risks?
Chairman: Well, I'm not certain how to do this. There have been a variety of suggestions by various and sundry study groups, beginning with the Hoover Commission, although it may go back before that . . . groups concerned with the senior civil servant and the executive managerial service. All of these are efforts to find a way of permitting career people to serve in top-level positions . . . by which I mean at least the Assistant Secretary . . . without committing a new administration to continuing them in those positions.

The idea is to try to make it possible for the career people to go to the top of the system.

Now, among things talked about are contracts. Three-year contracts, or two-year contracts, where the person would be in the job for that contract period and then a decision would be made as to whether the contract would be renewed.

Other possibilities would include automatic resignation upon change of administration, or resignation upon request of the agency head, but with some guarantee of continuing employment at perhaps a lower level. And certainly no guarantee of carrying your grade or salary to the new level at which you would be employed, although there are some who argue that we should have a cadre of senior people who carry grade with them rather than have the grade associated with the job. That would be another possible ingredient in the overall plan.

Fundamentally, what I would like to see is a system in which it would be possible . . . without committing any administration to the continuation of people in those high-level offices . . . for career people to serve in those offices at the pleasure of their superiors—taking some risk, but not one hundred percent risk, in the process of accepting those positions.

It is my guess there would be top-level people willing to do that. As I said earlier, I start out with a bias in favor of the career service in part because an awful lot of the career people out there I have taught at one time or another.

As far as I'm concerned, many of them are first-class people, the equivalent of anybody in the private sector. And I would like to see opportunities for them, and others like them, to serve at the highest levels in the Federal Government.

Press: Mr. Chairman, getting back to your meeting with the Department of Justice. You said you asked Mr. Civiletti to expedite the investigation. What did you mean by that exactly? What did he mean when he said that he would?

Chairman: Well, what I meant was that I would like to get this matter cleared up as soon as we can so that we can go about the business of restructuring and reforming the operations of the Civil Service Commission. And as long as that investigation is proceeding, obviously that causes a bit of a cloud to hang over the Commission.

I think what he meant was that they would expedite the investigation and come to a conclusion as to what action, if any, they're going to take.

Now, I want to add one other thing to that—there is obviously a need for the new Commission itself to examine that situation to determine whether there are actions other than legal actions called for. And as soon as the new Commission is in place, it will indeed look at that issue.

Press: What is your time sequence on that? Do you expect to set up an interim task force of some sort, or how are you going to do that?

Chairman: That hasn't been decided, and frankly I don't think we *can* decide it until we have a full Commission.

Press: Presumably you were asking Civiletti to expedite the investigation. You weren't asking him to simply wind it up, quickly, without taking time to determine all the possible situations where criminal activity might be involved. That is, you weren't trying to get him to wrap it up just to get it over with?

Chairman: No.

Press: You weren't trying to put him under the gun or a deadline, is that right?

Chairman: That's correct. That certainly is not what I requested. Furthermore, if I had requested it, I'm sure he would have told me it was an improper request.

Press: Didn't he give you any indication at all as to whether there were going to be any indictments handed down?

Chairman: No, he did not.

Press: Did he give you an indication of the time frame as to how long expediting was going to take?

Chairman: I think in fairness, no. We talked about various time frames, but he was not able, I believe, to give any hard information on that.

Press: Mr. Chairman, I represent 120 black newspapers and the black media, and we have reasonable concerns over the discriminatory practices the Federal Government has been using in meeting our advertising. This is a grave problem to us. We brought this problem up before the President at one of his conferences, the first conference he ever held for weekly newspapers. I'd like to know if the Commission would look into this matter as far as discriminatory practices in advertising are concerned? And do you see that as part of your role inasmuch as you were suggesting that Government agencies are equal opportunity employers? We feel that there also should be equal opportunity in advertising.

Chairman: I assume the advertising you're talking about is the advertising of job openings, examinations and the like, which is under the control of the Commission itself. I can certainly guarantee you that the Commission will consider the issue, but I cannot say more than that at this time.

Press: But you will consider it?

Chairman: Yes, we will consider it.

Press: And would you allow us to know when you do?

"...there is room in the system for more career people to serve in top-level positions"

Chairman: Yes. We will indeed. The Commission intends to meet regularly on given days at a given hour, with appropriate notice, and those Commission meetings will be open. Open because we believe they should be open, but also open because the law requires them to be open. And you will indeed be welcome and will be informed in advance what is going to be on the agenda.

Press: What are your feelings in general about the Bakke case?

Chairman: We've been asked for our opinion by the Justice Department as to whether the government should enter that case, and it has been my recommendation that the Commission advise the Attorney General that we enter it as Friend of the Court, on the side of the University of California.

Press: Do you believe there should be a quota system in Government?

Chairman: No, I do not. I'm never quite sure what a quota system means. But I would certainly not set percentages and other arbitrary goals.

I do think, however, that it is important to examine how well the affirmative action system is doing by looking at the outcome.

Press: Do you think it currently is or is not doing well?

Chairman: I think it is doing better in some places than others.

I noted with interest the report on the Freeman Study done at Harvard and covered in the *Post*. It indicated that in a comparative sense, government has been doing better relative to minority college graduates than the private sector has been doing. Now that doesn't mean we're doing well enough, but I invite your attention to that study because it does indicate that some progress is being made.

Press: Mr. Chairman, Jimmy Carter has said that no Federal employees would lose their jobs in the reorganization, and he said it was all going to happen through attrition. Yet the Commission through its directives has cast considerable doubt upon the idea that it could be done this way. What is your view about how possible it is to reorganize Government without adversely affecting employees? And how do you think it's going to be worked out?

Chairman: I think it is possible but difficult. And I believe that it is going to require a careful plan in relation to how employees who are affected will be treated.

The President has never said there will not be some impact on employees. What he has said is that they will not lose their jobs. It's going to be necessary to provide protection for employees within that guarantee while simultaneously giving management some freedom, in moving people and positions in ways that will increase effectiveness in Government. I believe it is possible to do that, but it does mean there are going to be some transition difficulties.

Press: Will people be losing their grade? Will they be downgraded in salaried positions?

Chairman: We're in the process right now of discussing that question. And it is quite possible that the Commission will recommend legislation in this field, which will provide somewhat greater protection than now exists, relative to salary and grade. As you know, there is protection now on salary. We will look at the adequacy of that, as well as looking into the question of protection on grade.

Press: Mr. Chairman, could I just focus on this once more. We live under a majority rule situation. I just wonder how we are going to determine whether a group has a rightful share of jobs, if there is any such thing as a rightful share as far as a democracy is concerned.

Now, we're supposed to have a certain plan. I mean, what barom-

eter are you going to use to determine whether a group has its rightful share?

Chairman: I don't think there's any final or correct answer to that question. But it does seem to me that one begins with comparative analysis, as to how well one group is doing as compared to other groups in a society. Well, for example, for a long time it was true that WASPS, white Anglo-Saxons, had on the average the highest income of any group in this society. Currently that is not correct. Currently the highest group income is held by Irish Catholics. And I would say that's a sign that the group is doing relatively well.

Now, all I'm suggesting is that there are a great variety of measures you can use. And one needs to do that kind of continual comparative analysis in order to determine how one group is doing relative to another group. That does not deal with the question of income distribution within groups, and it does not deal with the overall justice of society in its general characteristics. But it does give you an opportunity to do the kind of analysis that will enable you to compare groups to each other in relationship to a variety of things that can be quantitatively measured, such as job levels, salaries, median family incomes, and the like.

Press: If one department or another is not doing its job, are you going to recommend the dismissal of the heads of these departments?

Chairman: Well, no.

Press: Are you going to inform the President and say they aren't performing?

Chairman: Yes, indeed. There will be an analysis to see how things are going, to also get judgments from the departments and agencies themselves about the difficulties they're having. To the extent that civil service rules and regulations are a problem, we will learn how they are a problem and within that context keep tabs on how well we are doing in this field.

Press: Mr. Campbell, I'm not quite clear on the business about downgrading . . . you said that due to the reorganization there would be some impact. There would be some transition. Yet on the other hand you said you think legislation would offer greater protection.

Chairman: Well, the protection would be to the individual and not to the position itself. Therefore, what we are saying is that if the reorganization leads to grade changes and loss or elimination of jobs, then the question is how do you protect the employee within that situation. And what I'm trying to say is that we may look to legislation.

Press: What does that mean to people who are currently GS-8's?

Chairman: Assuming that a GS-8 position *is* downgraded to a 6, the question is what happens to that employee? Well, the first thing to do is to try to find another GS-8 slot for that employee. If that turns out to be impossible, then you offer retraining so that a person could be trained for another GS-8 slot, without loss of salary during the training period.

If there were not a way to handle that by placing the employee in a situation where all earned status and responsibilities could be protected, then you would need some protection for the employee in regard to salary and grade for some time period.

And what needs to be determined is if legislation is needed to move in that direction.

Press: How widespread do you think this trend is going to be as far as the number of people affected?

Chairman: My guess is that the number of employees affected will be very small.

Press: Mr. Campbell, there is a school of thought that believes, wrongly or rightly, that employees in the civil service are too well protected already, not only by virtue of the regulations themselves, but by the time periods in which disputes have to be worked out. They're cemented in and it's hard to get incompetent workers out of the system. The machinery is too cumbersome. How do you feel about that?

Chairman: On the whole, I'm supportive of the employee protections in the system. Although as I said earlier, I would like to see at the highest levels of the Government some lowering of those protections, I believe it would serve the best interests of the career service itself.

I do think, though, that the question of dealing with incompetence is one that will have to be considered in the process of our examining the functions of the Civil Service Commission.

And may I say that I do not believe it's possible to examine the functions of the Civil Service Commission without doing so in the much broader context of management and the role of management in general.

Therefore we intend for this examination to look across the board at management issues in the Federal Government, and to do this in association with OMB.

Press: Mr. Chairman . . . do you see the role of agencies in their own personnel matters becoming greater perhaps and the Commission's becoming smaller?

Chairman: Bigger and smaller bothers me a little, but I would say this . . . and this is not a Commission position but a personal one . . . I don't believe it is pos-

"I don't believe it is possible for managers to manage effectively unless they have a great deal of control and role in the personnel function"

sible for managers to manage effectively unless they have a great deal of control and role in the personnel function.

I believe in decentralizing the personnel function as much as possible to the agencies.

Press: Isn't that a kind of schizophrenic role for the Commission —when it sits there as a manager and spokesman for the managerial arm of Government, while at the same time it is also supposed to be judicial?

Chairman: Right.

Press: The employee is coming into the Commission saying I'm being treated unfairly. You're not only hiring the individual, but you're also firing him in that role. And he's coming to you for equity.

Chairman: There is an inherent difficulty here, and one of the first things we're going to do is look at the internal structure of the Commission in regard to its policy making and administrative function, in which I would include examining and certifying and all the rest. And its appeals function—either that has to be isolated within the Commission in a way that protects it from influence from the other side, or it has to be in some other way separated from the Commission.

Already there is substantial isolation within the Commission of the appeals activity, so to some degree that has already been done. Let me point out, however, that a great deal of policy affecting appeals is made by quasi-judicial regulatory agencies, because decisions become precedents. And then they flow back on the policy making side. So there's no neatness in this field.

Press: Mr. Chairman, are you satisfied with the upward mobility of minorities in the Government?

Chairman: I guess my dissatisfaction is with the high levels in the system, that there's not enough upward mobility to top positions in the Federal Government. It is an area that needs ever more vigorous and careful attention than it has received.

Press: How likely do you think it is that you will be recommending a switch to total compensation—for comparability—including fringes as well as wages, and how far along is your study on this subject?

Chairman: I can't answer how far along the study is, because I've not been briefed on it, although there have been conversations about it. I can say from my own personal point of view that I believe total compensation comparability is an idea that should be very seriously considered, and will be very seriously considered.

There are all kinds of technical problems in getting the data. We have a hard enough time in getting comparability information and data just in the wage area. To move that to the total compensation area will require a kind of data that does not now exist, any place in the system.

Press: Mr. Chairman, does the President expect to save money on this reorganization? Is this going to be part of his effort to balance the budget?

Chairman: Well, I think that the quick and short answer to that is yes. However, one often saves money not by an actual reduction of where you are now, but by a slowdown in the rate of increase of expenditures. And one needs to examine that as well as whether there is an actual overall reduction.

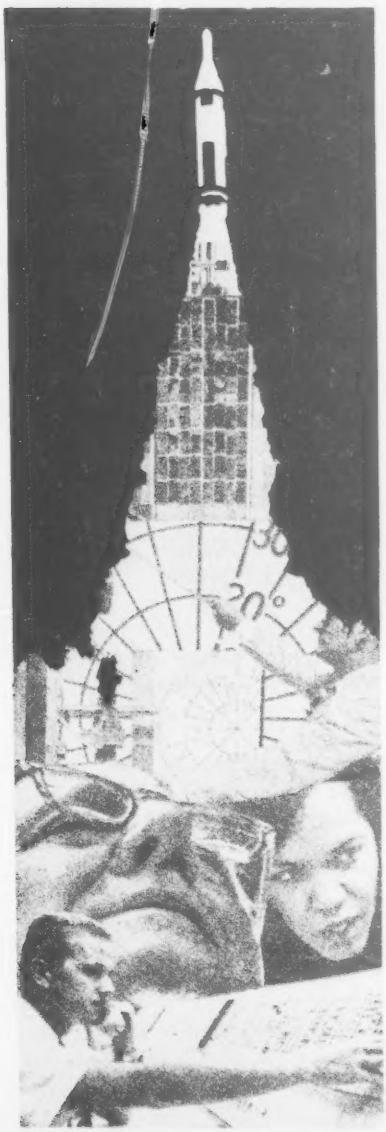
And furthermore, there are many Federal Government programs that are mandated, as you know—the uncontrollables in welfare and social security and other areas of that kind—which are not going to be affected by reorganization. They will be affected only by program changes.

So there is, I believe, a primary purpose of reorganization to increase the effectiveness of government in a way that will not result in a need for substantially increased resources. CSJ

A NASA EXPERIMENT IN PME

by Rayburn A. Metcalfe
Assistant Director of Personnel
National Aeronautics and
Space Administration

News item: "The National Aeronautics and Space Administration has recently concluded a full-scale, operational test of an advanced, third-generation system. Preliminary assessments indicate that it has achieved 'nominal' performance against design criteria and significant improvements over earlier system models. Operating on the earth's surface, it involves no flight hardware or scientific instrumentation. It is a new personnel management evaluation (PME) system, NASA's third experimental model."



THAT'S a strange announcement, coming from NASA, isn't it?

You may wonder why the space agency has taken such an avid and unusual interest in PME. NASA's major achievements and recognized expertise are in science and technology, not personnel management, right? Scientists and engineers have no special knack for this sort of thing, you say? So why are they experimenting with personnel management evaluation? What's the logic?

Everyone knows that PME is an extremely complex and sensitive activity. Fraught with hazards and negatives, it is frequently avoided as a divisive and distasteful function, even by competent, experienced personnel professionals. As a primary function of the Civil Service Commission, it's really their responsibility, anyway. They have more experience and capability in this field than anyone else. Why not let them take the lead in advancing the state of the art for all Federal agencies?

These are legitimate questions and observations, but they ignore two basic realities that all Federal agencies must face with regard to PME. The first and most obvious one is that each agency is required to have and administer its own personnel management evaluation system. The second and more important one is that agencies actu-

ally need their own systems to effectively tailor their personnel programs to their own institutional characteristics and mission objectives.

Another factor that sustains NASA interest in a better PME system is the agency's management style. Systems are integral and essential to the management of research and development (R&D) programs. NASA managers have an affinity for systems. Further, they are conditioned to systems that work. If a system doesn't work, it is redesigned and overhauled or improved until it does. A PME system is no exception.

Thus, NASA's personnel management evaluation system is not such an unusual or incongruous experiment after all. MOD IV is a natural outgrowth of requirement, need, and management commitment.

OK, given a serious and logical interest, what has NASA done that is different? What makes this PME system better than NASA's earlier models? Its purpose, to improve personnel management practices for better mission performance, is really nothing new. The basic standards used for compliance audits—law, regulation, and public policy—are constants that are the same for all Federal agencies. There *are* a few new wrinkles in methodology and data treatment. However, most of the methods and processes used parallel those employed by the Civil Service Commission and other agencies.

The significant new features, *the differences that really make a difference,* boil down to only two:

☐ The dominant role of line managers in the evaluation process.

☐ The concurrent scheduling of personnel management evaluations at all agency installations.

A Key Role for Line Managers

The most significant difference in NASA's PME system is the dominant role assigned to line managers. Under provisions of the new system, personnel management evaluation in NASA is a management-directed function.

The Deputy Administrator is responsible for establishing and reviewing the effectiveness of the basic system.

Responsibility for the direction of agency-wide evaluations, per se, is assigned to the Associate Administrator for Center Operations.

Installation evaluations are under the direction of installation directors or designated line-management officials immediately subordinate to the installation directors.

In the most recent agency evaluation—the operational system test—the designated "evaluation managers" at the installations were the mainstays of the effort. More than half of them were engineers, and all held senior management positions at their respective installations. This special assignment, laid on by agency management, was no easy task. According to the system's design specifications, each evaluation manager was responsible for conducting an evaluation at his or her installation that was both *comprehensive* and *thorough:* comprehensive enough to provide an overview and assessment of the activity's total personnel management effort; and thorough or detailed enough to satisfy the evaluation needs of installation management, agency management, and the Civil Service Commission.

Specifically, each evaluation was to include:

☐ An assessment of progress and achievements on prior-year objectives and action plans.

☐ A general evaluation of personnel management practices to identify strengths and problems, and weigh their significance to program and institutional effectiveness.

☐ A review and appraisal of supporting personnel administration functions.

☐ A sample audit of personnel files and personnel action documentation to determine compliance with law, regulation, and policy, and test the effectiveness of administrative controls and procedures.

This was a tall order for part-timers, feeling their way on unfamiliar ground previously reserved for professional personnel evaluators. But in every case the evaluation managers performed to specification. While some of them were more effective in their assignments than others, the overall quality of their efforts met or exceeded NASA's expectations. Sure, they had help and guidance from agency staff, on-site review teams, and others at their own installations, but the difficult analyses and final decisions on personnel management issues and problems were theirs to make. They made them and made them well.

Each evaluation manager devoted weeks of personal effort to the evaluation. What they lacked in terms of specific personnel skills and knowledge, they made up tenfold in basic analytical skills and knowledge of the installation's mission, structure, institutional character, and work force dynamics. Their finely tuned perspectives and insights added a special new flavor of reality and practicality to their findings and remedial action plans.

Another plus that NASA's line managers added to the PME system, almost automatically, was their built-in conviction and commitment to set right the problems they had identified and diagnosed. And who can get results better or quicker, within Government or out, than a committed line manager? Results are their stock in trade.

It was these extra dimensions that NASA first sought and now

values from the contributions of its line-management evaluators.

To support the evaluation managers in this experimental departure from traditional practice, NASA made special provisions to offset their knowledge gaps, and to limit their direct involvement in compliance audit determinations.

First, each evaluation manager received an individual briefing and detailed, written guidelines on the evaluation methodology and his or her specific responsibilities.

Second, they were given an extensive and reliable data base of information on employee and supervisory attitudes, work force characteristics, and personnel action dynamics to make their interpretation and analysis easier.

And most important, each evaluation manager was "loaned" an outside team of professional personnel specialists to do an objective review of personnel program administration and regulatory compliance, and identify the required corrective action or action options.

Supported in this manner and allowed to do their thing, NASA's evaluation managers have demonstrated the potential of another way (and for NASA a better way) to conduct installation-level evaluations.

A Different Kind of Schedule

A unique feature of the NASA system is the concurrent—or more properly, near-concurrent—scheduling of evaluations. While the idea was initially mind-boggling from a logistics standpoint, the agency's recent experience has confirmed its basic logic and advantages. In practical application, this scheduling approach gave NASA management the opportunity and capability to take stock of its personnel management assets and problems, to establish a baseline for marking future progress, and to develop coordinated improvement plans at both the national and local levels—all within a reasonable period of time.

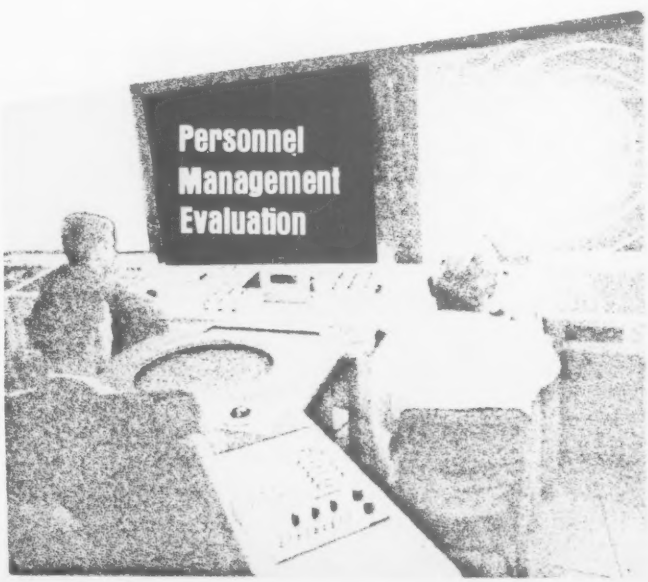
Within 6 months, the agency carried out comprehensive personnel management evaluations at all ten of its major installations. While each evaluation was separate and independent, all were a part of the agency's overall diagnostic self-examination.

The on-site review phase of the installation evaluations was completed in less than 3 months. Each on-site review was conducted by one of five ad hoc teams staffed with senior NASA personnel specialists and Civil Service Commission representatives, hand-picked for their expertise and objectivity.

The NASA team members were assigned to two reviews at installations other than those of their permanent assignment. Each team was trained on-site in a 2-day orientation drill conducted immediately prior to each review. Team leaders and classification specialists were provided an additional week of advanced training in agency headquarters to prepare them for their specialized assignments.

As part of the total evaluation effort, each installation simultaneously identified its priority improvement objectives and developed 1-year remedial action plans to achieve them. Installation reports were forwarded to agency headquarters. There the most significant and prevalent findings were synthesized and translated into agency-level personnel management objectives. And a 3-year program plan to coordinate agency-wide improvement efforts emerged.

Once the agency completed its assessment of priorities and objectives, headquarters and the installations were able to shift their full attention and resources to work on the problems and needs targeted for both short- and long-range improvement effort at each level. Between comprehensive agency evaluations, installation objectives and action plans are reviewed and updated annually as part of a regularly scheduled self-evaluation. Progress and achievements agency-



wide are monitored in NASA headquarters by means of the annual installation reports and direct followup action.

The primary benefit provided by the concurrent scheduling of installation-level evaluations has been the establishment of a *coherent perspective* of agency needs and a *rational process* for effecting personnel management improvements.

Improvements in scheduling and data treatment are also credited to the change. Evaluation scheduling was simplified and made less threatening to individual installations. No one was scheduled first or last. And prejudgments, problem-oriented targeting, and one-on-one defensive tactics were all eliminated from the process.

There was also a vast improvement in the treatment of data pertaining to employee attitudes, work force characteristics, and personnel action trends. Economical batch processing made data handling easier. Various data displays were used to compare field installations against agency-wide norms at the same point in time in each evaluation cycle.

Concurrent evaluation scheduling in NASA has worked so well that continued use of this experimental feature in the agency's PME system is assured.

A Dialog Points the Way

The innovations discussed here, as well as other refinements and improvements in NASA's personnel management evaluations over the past 15 years, are not the product of ivory tower design or laboratory experimentation. They are actually the product of the collective experience and judgment of a large number of people in NASA and CSC who have been concerned with these matters for many years.

The blueprint for most of the successful features in NASA's current PME system was, in fact, drafted by a large group of personnel and management officials convened for this specific purpose. The occasion was NASA's second agency-wide symposium on personnel management evaluation, held at the Johnson Space Center in Houston, Tex., in November 1971.

The purpose of the symposium was to analyze and critique the agency's evolving approach to PME, and to recommend changes to improve evaluations in the future. Those attending included top management of NASA and the Civil Service Commission, senior personnel and management officials from each NASA installation, and invited representatives of two other Federal agencies.

Stimulated by an opening remark of the NASA Deputy Administrator, that "this kind of management [personnel management] has more challenge than anything we have done in Mercury, Gemini, Apollo, or any of our other programs," the 79 participants responded with purpose and vigor. Each of them, like their counterparts in the first NASA-wide PME symposium held in 1969, had a serious interest in personnel management issues and problems. Convinced by first-hand experience that these matters have an impact on mission performance, the managers were not there for the ride—they were anxious to make a positive contribution.

Small workgroups, in wide-ranging and candid exchanges of ideas, developed constructive recommendations to make NASA's PME system *a positive force and effective mechanism for change*. The real goal, implicit to all, was better personnel management. PME was but a means to an end—a tool or instrument for improvement.

The NASA PME symposia of 1969 and 1971 are now years behind us, but the dialog initiated and fostered at those sessions has continued. It is this continuing exchange between managers and personnel people in NASA that points the way to better PME and better personnel management practices in the future. CSJ

NEW MANAGEMENT APPROACH TO FEDERAL BUDGETING

by Graeme M. Taylor

THE TERM "zero-base budgeting" is not new. In the most literal sense, zero-base budgeting implies constructing a budget without reference to what has gone before, based on a total reappraisal of purposes, methods, and resources.

This interpretation has been roundly condemned as naive and impractical, if not downright mischievous. The U.S. Department of Agriculture's attempt at this sort of zero-base for FY 1964 was widely regarded as a failure. As Allen Schick has remarked, even a teenager doesn't have an identity crisis every year. Or, as Dean Acheson pointed out in another context, we can't have a foreign policy if we pull it up every year to examine its roots.

But there is another version of zero-base budgeting. Developed originally at Texas Instruments by Peter A. Pyhrr as a method of controlling overhead costs, and later implemented by Jimmy Carter in Georgia, this latter day zero-base budgeting provides a practical way of involving line managers in a systematic evaluation of budget priorities. On April 19, 1977, the Office of Management and Budget issued Bulletin 77-9 to implement this approach to zero-base budgeting in the Federal Government, and it is this version of zero-base budgeting that is the subject of this article.

Although the basic concepts of zero-base budgeting are indeed simple, putting them into practice is difficult, complex, and demanding. Many organizations, however, apparently believe the results are worth the effort. Within the past 3 years, at least 100 major corporations have applied zero-base budgeting to portions of their operating budgets. A handful of States and several local governments have adopted zero-base budgeting. A few Federal agencies introduced zero-base budgeting on a limited basis even before the election.

Some of the growing popularity of zero-base budgeting must no doubt be attributed to the President's support of the process. But it would be a mistake to think that the "bandwagon syndrome" is the main reason for ZBB's adoption.

ADAPTED from an article by Graeme M. Taylor that originally appeared in Vol. 6, No. 1, of *The Bureaucrat*, Spring 1977. Mr. Taylor is Senior Vice President of Management Analysis Center, Inc. (MAC), Washington, D.C., a management consulting firm that has assisted over 70 public and private organizations with the implementation of zero-base budgeting. He is co-author of *Program Budgeting and Benefit-Cost Analysis* and *Systematic Analysis*, both published by Goodyear Publishing Co.

The real explanation lies in certain intrinsic features of the process itself, coupled fortuitously with the needs of the times.

Industry views zero-base budgeting as a more rational approach to the perennial problem of controlling overhead. The recent recession forced most companies to reappraise their discretionary costs, and many found ZBB an instrument ideally suited to the task.

In the public sector, the example of New York City looms like a severed head on a spike as an awful warning. Today virtually everyone is a fiscal conservative.

"provides a practical way of involving line managers in a systematic evaluation of budget priorities"

There is a growing realization that program initiatives to meet public needs must go hand-in-hand with sound financial management. As the President pointed out in *Nation's Business* (January 1977):

". . . there is no inherent conflict between careful planning, tight budgeting, and constant management reassessment on the one hand, and compassionate concern for the deprived and afflicted on the other. Waste and inefficiency never fed a hungry child, provided a job for a willing worker, or educated a deserving student."

Zero-base budgeting has come a long way since its origins at Texas Instruments and in Georgia. These early models have been substantially improved upon and refined in later, less-publicized applications, while still retaining the original fundamental principles. Experience indicates that there are almost limitless ways to adapt the basic ZBB concepts to the varying decisional needs of different organizations. This should come as no surprise. Zero-base budgeting is, after all, a management-oriented approach to budgeting. It follows, then, that its basic principles must be adapted to fit each organization's unique management structure and culture.

This article will attempt, somewhat boldly, to summarize the state of a complex and rapidly evolving art. The writer's viewpoint is not that of a scholar, but rather that of a practitioner, one who has been actively involved in helping organizations design and implement zero-base budgeting.

The reader will therefore not find much in the way of public administration theory, nor any glittering generalities to serve as a conceptual framework. If any apology is needed, it would be this: It is too early to predict the ultimate fate of zero-base budgeting in the public sector. It could evolve in many different ways to serve different needs in different government organizations. Many versions of zero-base budgeting could comfortably coexist in Washington, in the States, and in city halls. Different approaches may be quite appropriate even within the same government, at different levels and for different kinds of programs. No unified theory is likely to emerge; certainly none can be discerned at this time.

Principles and Elements of Zero-Base Budgeting

The distinctive and essential hallmark of zero-base budgeting is its focus on the total budget request. The current spending level is not regarded as an inviolate base, immune from detailed scrutiny. Existing activities are examined along with proposed new activities.

In traditional budgeting systems, all participants behave as if the relevant question was: "At the margin, is an increase in Program A more important than an increase in Program B?" Decisionmakers are essentially forced to accept or reject a program increase, or to reduce its amount. This so-called "incremental" budgeting effectively denies decisionmakers the option of trading off a requested increase in one activity against a reduction in another.

Zero-base budgeting places a premium on offering decisionmakers a range of choices among alternate funding levels. The relevant budget question is: "At the margin, is an increase in Program A more important than an increase in Program B or a previously funded item in Programs A, B, C . . . .?" It is explicitly *not* assumed that present activities must necessarily be continued. Given budget constraints, an existing activity may be reduced or eliminated entirely to make way for new activities, or one program may be cut back to permit another to expand.

The three basic elements of zero-base budgeting are:

A. Identification of "decision units."

B. Analysis of decision units and the formulation of "decision packages."

C. Ranking.

A. The decision units are the lowest level entities for which budgets are prepared. Decision units may be programs, functions, cost centers, organizational units, or, in certain cases, line items or appropriation items. One important requirement is that each decision unit have an identifiable manager with the necessary authority to establish priorities and prepare budgets for all activities within the decision unit.

B. ZBB calls for two kinds of analysis. First is the analysis that most truly deserves the name "zero-base"—a reexamination of the purposes, activities, and operations of the decision unit. In this analytic phase, questions such as the following are addressed:

☐ What would be the consequence if the decision unit were entirely eliminated?

☐ How can the decision unit's purposes be achieved in a more cost-effective manner?

☐ How can the decision unit's operations be improved?

Following the zero-base review of purposes, activities, and operations, the decision unit manager then segments the decision unit's activities into a series of decision packages. The first package contains those activities, or portions of activities, deemed highest priority. The second contains the next most important items, and so on. The costs and consequences of each package are documented for higher level review.

C. The third basic element of ZBB is "ranking," the process whereby higher level managers establish priorities for all decision packages from all subordinate decision units.

Decision Units, Decision Packages, and the Ranking Process

Identifying and defining decision units

A key consideration in selecting decision units is the organization's "responsibility structure." Decision units should generally be selected to parallel the flow of responsibility for budgetary decisionmaking within the organization.

To illustrate this point, consider an organization that operates neighborhood health centers, each of which offers a variety of health services such as tuberculosis control, venereal disease control, lead poisoning control, maternal and child health clinics, and so forth. The decision units may variously be (a) each center, encompassing all health services provided within the center, (b) each separate health service provided in each center, or (c) each health service aggregated across all centers.

If each center has a manager who is responsible for resource allocation within the center, then the individual centers may be logically selected as decision units. If each health service within a center has an identifiable manager responsible for resource allocation within that service, each service within a center could be viewed as a separate decision unit. On the other hand, if resource allocation decisions within health services are made system-wide by identifiable managers at the organization's headquarters, then the individual health services aggregated across all centers would be logical decision units. The key criterion is how responsibility for resource allocation decisions is distributed.

There is, of course, a fourth option: The entire health organization may be considered a single decision unit. This option would make sense if all resource allocation decisions are made by the organization's chief executive, or if other considerations become important—such as the relative size of the organization with respect to the government of which it forms a part. For example, if an entire city is engaged in zero-base budgeting, then, from the standpoint of the Mayor, the entire neighborhood health center program might be logically one single decision unit. Relative size, therefore, is a second important consideration in identifying decision units.

The availability of data often constrains the choice of decision units. The organization's accounting system may not provide reliable cost data for the "ideal" decision unit structure. Compromises may have to be made, or the accounting system may be modified so that something approaching the ideal structure may become feasible at a later time.

Analytic emphasis

Some organizations emphasize a fundamental reexamination of each decision unit before its manager is permitted to formulate decision packages. In other instances, only perfunctory attention is paid to the questioning of objectives, activities, and operating methods, so decision packages simply reflect a priority listing of the status quo. The relative emphasis on each type of analysis is decided by the architects and users of the zero-base budgeting system. Both types of analysis are useful, but time, practicality, and available analytic skills sometimes dictate that the former be sacrificed and attention be concentrated on the latter.

Formulation of decision packages

The decision unit manager formulates, in priority order, a series of decision packages that together equal the total of his budget request for the decision unit. Each decision package consists of a discrete set of services, activities, or expenditure items.

The first, or highest priority, package addresses the most important activities performed by the decision unit, i.e., those that produce the highest priority services or meet the most critical needs of the decision unit's target population. The cost of this first package is usually well below the current level of funding for the decision unit, and is often thought of as the "minimum level" or "survival level" for the decision unit.

In some cases decision unit managers are allowed complete freedom in determining the size of the first package, subject only to the constraint that it cost less than the current funding level. In other cases, guidelines are provided in the form of a percentage of the current level, for example: "The first package should be less than 75 percent of current," or "The first package should be between 40 percent and 60 percent of current."

In most cases no firm rule is established for the total number of packages for each decision unit. In practice, the number can usually be expected to vary between a minimum of three and a maximum of around ten.

Typically, packages become smaller and more discrete as their cumulative total cost approaches and exceeds the decision unit's current funding level. This offers decisionmakers a more practical range of flexibility in the subsequent ranking process.

The decision unit manager's analysis of decision packages is communicated on a series of forms, using a separate form for each decision package. Each form documents:

☐ Precisely what services are to be provided, or activities performed, if this package is funded.

☐ The resource requirements of the package and their cost.

☐ A quantitative expression of workload, output, or results anticipated if the package is funded.

In some cases, the decision unit manager is asked to identify additional information on each decision package form, such as "benefits of funding this package," "consequences of not funding this package," "present services that would not be provided if only this package and those that precede it are funded," "support required from other decision units if this package is funded," and the like.

Ranking

Ranking is the process in which a manager reviews all decision packages (from all decision units reporting to him) and establishes their relative priority. A "ranking table" is prepared, listing all decision packages in descending order of priority. A running cumulative total is kept to indicate the total budget request for the sum of each package plus all preceding (higher priority) packages.

Ranking may be performed in a variety of ways—for example, unilaterally by a single manager, or in committee fashion where the manager meets with his decision unit managers.

Depending on the size and complexity of the organization, a series of rankings by successively higher levels of management may be required to produce a single, consolidated ranking table for the entire organization.

To avoid overwhelming higher levels of management with excessive detail, the ranked decision packages are often consolidated into a smaller number of "super packages" for review and ranking by the next managerial level.

Designing and Implementing Zero-Base Budgeting

Before embarking on zero-base budgeting, an organization must carefully weigh several factors:

☐ What are the strengths and weaknesses of the existing budget process?

☐ What are the organization's objectives and expectations for zero-base budgeting?

☐ Who is the principal intended "consumer" of the information generated by the zero-base budgeting process?

☐ What implementation strategies shall be followed?

☐ What degree of linkage to existing management systems is appropriate?

☐ What particular ZBB "technology" shall be employed?

Any decision to launch zero-base budgeting normally should be preceded by a systematic appraisal of the strengths and weaknesses of the existing budget process. This review may be thought of as a "budget audit" during which managers assess the degree to which the current budget process serves or fails to serve the organization's planning, management, and control needs. Design of the approach to zero-base budgeting can then attempt to build on existing strengths and correct deficiencies in the current process.

The organization should next address explicitly the question of what it hopes to achieve by implementing zero-base budgeting. Different organizations may have quite different objectives and expectations for zero-base budgeting. Some of the more common are:

☐ Cut budgets rationally.

☐ Reallocate resources from lower to higher priority areas.

☐ Yield better information or more credible justifications to support budget requests.

☐ Forge a better link between budgeting and operational planning and control.

☐ Provide top management with better insights into the detailed workings of the organization.

☐ Create more substantive involvement by line managers in budget formulation.

☐ Achieve various "organizational development" objectives

"Many versions of zero-base budgeting could comfortably coexist in Washington, in the States, and in city halls."

(such as improved communication between managerial levels, greater sense of participation, more identification with the organization's mission).

Finally, the organization must design the technical and procedural aspects of the zero-base budgeting process. Particular attention must be paid to the following:

☐ The logic by which decision units are identified and defined.

☐ The type of analysis to be emphasized.

☐ The particular forms, procedures, timetable, guidelines, and instructions to be used in implementing the process.

☐ The type and amount of training and technical assistance to be provided.

The users of zero-base budgeting must also decide how to modify the process in the second and later cycles following the first year. Priorities may be reviewed to ensure that they are still relevant, decision units may be added or deleted as appropriate, new decision packages may be formulated to meet newly identified needs, and cost and output data may be refined and updated. But it is usually not necessary to repeat the considerable development normally required in the first year. Illustratively, the focus can shift to areas of the budget not included the first year, or the process can be driven deeper in the organization, or the reliability of data can be improved, or the process can be more selective in concentrating analytic efforts on particular issues.

The Future of Zero-Base Budgeting in the Federal Government

Strengths and weaknesses of the existing Federal budget process

The Federal budget process works. It comprehensively reconciles the competing claims of a myriad of programs into a unified whole. Each party understands the rules of the game, and open conflict is kept to a minimum.

Some weaknesses are, however, apparent. Budget justifications focus almost exclusively on increments—the additional positions and dollars requested above the "adjusted base." Neither the President nor Congress is routinely provided the opportunity of examining whether objectives should be changed, or whether the same objectives could be attained more economically, or what would be the consequences of funding a given program at varying levels. Interagency trade-off opportunities, within the same general program area, are difficult to examine without special analyses. The link between costs and services provided is hard to discern. Often, cuts are imposed without any explicit recognition of which services will be reduced by what amounts. Agencies are frequently expected to "absorb" cuts and still, somehow, maintain the present level of operations.

Objectives for zero-base budgeting in the Federal Government

A tentative set of primary objectives for zero-base budgeting in the executive branch of the Federal Government might be as follows:

☐ Provide the President a range of choices within a given program so he can ensure that the total resources correspond to his policy preferences for that program.

"The distinctive and essential hallmark of zero-base budgeting is its focus on the total budget request. The current spending level is not regarded as an inviolate base, immune from detailed scrutiny."

☐ Yield more credible budget justifications, at all levels within the executive branch, in support of total budget requests, and not merely with respect to proposed changes from the prior year. The information should be structured so as to illuminate the consequences of various levels of funding, both above and below current levels.

☐ Encourage agency operating managers to surface recommendations for improved methods of operation as part of the formal budget process.

Consumers

There are many potential consumers of the results of zero-base budgeting in the Federal Government . . . the Congress (its substantive, budget, and appropriations committees, as well as the Congressional Budget Office and the GAO); the President and his Office of Management and Budget; agency heads and their policy, planning, and budget staffs; and the several levels of operating "line" managers within each agency.

Implementation strategies

The central problem is to identify the most productive targets of opportunity for zero-base budgeting and then determine how best to implement the process in the selected areas.

Although the President's Budget embraces virtually all Federal expenditures, zero-base budgeting

may not be equally appropriate for all types of expenditure.

The interest on the national debt is hardly susceptible to annual zero-base review.

A variety of income and other transfers such as social security payments, veterans' benefits, welfare payments, and general revenue-sharing are controllable only in the long run and can be changed only if there is a significant shift in the political consensus.

Other major expenditures have powerful constituencies; it would take more than a new budget process to affect significantly expenditures from the Highway Trust Fund or the various agricultural price support programs.

Stability and credibility in national security and foreign affairs require a degree of continuity in the scale and distribution of resources commitment.

Significant or abrupt changes in long-range procurement or construction programs, both civilian and military, could cause severe economic dislocations even if decisionmakers are persuaded to ignore sunk costs.

But in the long run nothing is fixed. In the short run much is, at least within the realm of practical politics. This is not to say that programs such as those cited in the previous paragraphs should not be thoroughly reappraised from time to time. Of course they must be, but the annual budget process may not be the proper forum for the debate.

There are, however, several classes of Federal expenditures ideally suited to the type of zero-base budgeting described in this article:

☐ The overhead agencies of government, i.e., those agencies providing services not to the public but to government itself (e.g., GSA, the Civil Service Commission, parts of Treasury and Justice, etc.).

☐ The overhead (administrative and support) activities of agencies, in Washington and in countless field offices. This is a very diverse category including a multitude of functions such as legal, ADP, personnel, training, accounting, research, planning, procurement, printing, communications, transportation, etc.

☐ Virtually all formula and project grant programs.

☐ Many operating programs of government, where the government itself acts directly as the provider of service, without any intermediaries. This group would include organizations such as the National Park Service, Forest Service, VA Hospitals, Customs Service, FAA, FDA, and so forth.

A fundamental implementation issue to be resolved is the relationship of zero-base budgeting to the overall Federal budget process. Zero-base budgeting could be implemented as a supplement to the existing budget process, it could substitute for the existing budget process, or elements of the zero-base budgeting process could be incorporated into the existing budget process.

The first option would leave undisturbed the normal routines of budgeting, and therein lies both its advantages and disadvantages. Treating zero-base budgeting as supplementary to the existing budget process would cause the least disruption for both OMB and the agencies. True, it would generate an additional workload, but this could be accommodated. OMB and the agencies would in all likelihood set up special staffs to handle zero-base budgeting, effectively insulating it from the "real" budget process. This, of course, is precisely what happened to PPB (the earlier Planning, Programming, and Budgeting system).

"Zero-base budgeting has proved, in diverse settings, that it can make a useful contribution to the art and practice of management. Whether it can be equally helpful if applied extensively in the Federal Government is an open question."

The second option is only superficially a real option. The concept of "replacing" the existing budget process with zero-base budgeting is wrongheaded. In the first place, the budget process serves many purposes other than those for which zero-base budgeting is suited. Besides, a budget process is not an integrated circuit module that can be unplugged or reconnected at will.

The third option is a real one, in fact the only one that makes sense. The basic principles of zero-base budgeting could be made an integral part of the agency budget formulation process and could form the basis for both the Spring Preview and Director's Review (this, in fact, is the approach taken by the Office of Management and Budget; see OMB Bulletin No. 77-9, dated April 19, 1977). The formats of detailed supporting budget schedules need not be altered necessarily, but the schedules probably would be completed only after basic program allocations are made by OMB.

It is probable that at least three overlapping zero-base budgeting cycles would operate, each with a different focus. The first cycle would operate at the most detailed level within the agency. At this stage, operating managers would formulate zero-based budget requests, which through a successive ranking process would flow up-

wards to the various line assistant secretaries. During the second cycle, the agency head would formulate the agency-wide budget and review it with OMB. The third cycle would involve OMB's own zero-base analysis and preparation of priority-ranked budget proposals for consideration by the President.

In practice, of course, the process would not be as simple and sequential as suggested above. Several iterations might be required, each cycle operating within a framework of planning and policy guidelines . . . much as in the present process.

Zero-base budgeting technology

As this article has attempted to emphasize, zero-base budgeting may be variously implemented for different reasons, in different ways, and to serve the needs of different users. The Federal Government is so diverse that no one ZBB "technology" can suffice. What constitutes a decision unit in one part of one agency will not apply in other parts of the same agency nor at different levels in the same agency, still less in other agencies. The decision variables governing the formulation of decision packages will vary within and among programs and agencies.

It would be possible, however, to develop models, standards, or guidelines to deal with similar classes of programs or activities commonly found throughout the Federal Government. Several agencies operate hospitals, for example; similar approaches to zero-base budgeting would probably be applicable regardless of the agency. Again, at a more detailed level, similar approaches could be used in different agencies to deal with functions such as maintenance, ADP operations, and the like. Within OMB it doubtless would be desirable to develop a consistent framework to analyze programs from different agencies within the same general program area.

Can ZBB Do the Job?

Zero-base budgeting has proved, in diverse settings, that it can make a useful contribution to the art and practice of management. Whether it can be equally helpful if applied extensively in the Federal Government is an open question. Its success will largely depend on how agencies respond to the challenge of adapting the principles of zero-base budgeting to their own decisionmaking needs.

Now that zero-base budgeting is being launched on a broad scale, it is to be hoped that it will be viewed as an *approach* to resource allocation rather than as a uniform set of procedures to be applied by rote regardless of the nature of the program, organizational level, or management's needs.

Finally, what will be the lasting impact of zero-base budgeting? PBB is no longer a formal, Government-wide system, but its effects are very much with us. The legacy of PBB has been a demonstrable improvement in the amount and quality of policy, program, and budgetary analysis, in the Federal Government and in State and local governments throughout the nation. CSJ

Regardless of the ultimate fate of ZBB, chances are that after the next few years budgeting will never be quite the same.

EQUAL OPPORTUNITY

EEO Representatives in CSC Regions

Overall leadership and guidance of equal employment opportunity programs throughout the Federal service is the Civil Service Commission's responsibility. To help assure that these programs are carried out, each of the Commission's ten regional directors has EEO program leadership authority for the respective region.

In turn, each regional director's staff includes a regional Federal equal employment opportunity representative. The EEO representative, supported by a small staff, provides regional guidance, policy interpretation, and information and assistance on EEO matters, including activities tailored to established special emphasis programs.

It is the EEO representative's job to:

☐ Advise and assist the regional director on all EEO matters.

☐ Review agency equal employment opportunity plans and recommend approval, disapproval, or other appropriate action to the regional director.

☐ Represent the U.S. Civil Service Commission to regional Federal, State, and local government agencies, to organized groups, and others interested in the Federal EEO program.

☐ Provide staff assistance to the regional director on Federal EEO matters.

☐ Serve as the Federal EEO resource person for all CSC regional program officers.

EEO concerns touch on essentially every aspect of employment. Thus, regional EEO representatives must be knowledgeable personnel management specialists. At times they also assume the roles of public information officers, administrative officers, program developers, evaluators, and trainers. They often serve as the regional director's representative at State and local conferences and meetings with other organized groups.

There is no typical workweek for an EEO representative. The EEO representative may begin a Monday morning with the usual administrative duties and staff meetings and wind up the week on Friday as an after-dinner speaker at a meeting of a community organization. A large part of the week is filled with decisions on ambiguous, often sensitive, issues, answering agency questions, keeping up with new rules and regulations concerning equal employment opportunity, providing employment information, and channeling inquiries throughout the Federal establishment.

EEO representatives are regularly called to speak at Federal agencies or at civic or community organization meetings. The subjects range all over the EEO spectrum and beyond. One day it may be a presentation on establishing or revitalizing an agency EEO program. The next day it may be a panel discussion on the employment concerns of Hispanics in a particular locale.

An EEO representative must be able to identify an audience and be prepared to shift the direction of his or her remarks to meet the needs and interests of the group. For instance, at a 1-day seminar about women, an EEO representative was asked to speak on how to get into Federal employment. The EEO representative began by asking the group how many of them were currently Federal employees. The answer was 90 percent. The representative quickly turned the topic to how to advance in the Federal service.

Federal employees frequently write or telephone EEO representatives to discuss how to file a discrimination complaint. Lawyers representing complainants often telephone for detailed information and to discuss features of the discrimination complaint system.

Because they need to respond promptly to inquiries about EEO from the general public and from Federal agency personnel, EEO representatives spend a lot of time researching and interpreting personnel issuances. They are responsible for getting new or revised EEO information to Federal agencies and installations within their respective regions. They regularly provide personalized program assistance to Federal agencies and work with agency officials in affirmative action planning on a day-to-day basis.

Truly, a regional Federal equal employment opportunity representative is a "jack-of-all-trades," but contrary to the adage, he or she is also a master of most of those trades.

—Ed Shell

ROOTS OF THE FEDERAL WOMEN'S PROGRAM

by Janice Mendenhall
Director, Federal Women's Program
U.S. Civil Service Commission

THIS YEAR, we will celebrate the 10-year anniversary of the Federal Women's Program. But practically all of those involved, including most FWP Coordinators, will be surprised to learn that the program is actually 14 years old. The FWP began in late 1963 to implement a recommendation of the President's Commission on the Status of Women, but it was not until 1967 that Executive Order 11375 was issued, prohibiting sex discrimination in Federal employment.

In the 10 years since the Executive order, attitudes toward working women and sex discrimination have improved remarkably, and there has been a significant increase in the number of women in professional and technical jobs GS-7 to 11. However, many other aspects of women's Federal employment have remained relatively unchanged. But to better understand the climate of Federal employment 10 years ago, one must examine some of the events leading up to the Executive order.

What It Was Like 10 Years (and More) Ago

The first real attention paid to women's Federal employment since World War II was a 1954 Task Force of the Federal Personnel Council, composed of directors of personnel. Their job was to look at increasing part-time jobs, thereby recruiting skilled women not working at that time.

They asked a woman, Esther Lawton, a classifier from Treasury, to give them the "woman's point of view." She did, and the Task Force recommended to the Bureau of the Budget (predecessor of OMB) that the ceiling structure be changed so that a part-time employee would not count the same as a full-time employee. The Bureau complied in February 1966 by establishing a ceiling separate from full-time permanent employees, and pressure continues on OMB today to "liberalize" the method of ceiling allocations to increase the use of part-time employees.

Nothing much happened until 1961, when President Kennedy appointed the first Commission on the Status of Women, headed by

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JANICE MENDENHALL has participated in many of the developments she covers in this overview of Federal Women's Program history. She writes from the vantage point of her experience as FWP director, as a past president of Federally Employed Women, Inc., and as an agency FWP Coordinator.

Eleanor Roosevelt, to study Federal employment, among other topics. At that time, a major obstacle to women's employment was the ability of agencies to request from the Civil Service Commission men only or women only to fill job openings. Through the years, an 1870 law had been interpreted as giving Federal appointing officers the unlimited right to decide whether to employ a man or a woman in any particular Federal job. The appointing officer did not have to give any reasons, and did not even have to be consistent.

The great potential for sex discrimination allowed by this practice, which had been affirmed by the Attorney General in 1934, was evident. This practice obviously hindered women's employment opportunities. A 1960 study by CSC showed that agencies requested men only for 29 percent of all jobs involved. However, for policy positions GS-13 to GS-15, men only were requested 94 percent of the time.

In 1962, at the request of the President's Commission on the Status of Women, CSC began asking that agencies submit substantiating reasons when only one sex was specified, resulting in most agencies eliminating this practice.

In 1960, requests for certificates from the Federal Service Entrance Examination (predecessor to the current PACE) were 56 percent male only, 17 percent women only, and 27 percent without a sex specification. After the reporting requirements, single sex requests dropped to less than one percent, an obvious demonstration of the impact of reporting requirements.

Why would an agency request women only from the FSEE? The reasons given by the agencies were that the work was monotonous, detailed, and repetitious, and advancement opportunities were limited. On the other hand, reasons given for limiting jobs to men only included arduous and hazardous duties, travel, rotating assignments, geographical location (e.g., bad neighborhood), and contact with the public or particular groups.

In 1962, Attorney General Robert Kennedy strengthened the Commission's position by ruling the 1870 law invalid. Agencies could no longer request one sex only, except for certain custodial positions and those that required carrying a gun.

In 1963 President Kennedy established an Interdepartmental Committee on the Status of Women to continue the emphasis on women's employment begun by the 1961 Commission, which had expired. The Committee, composed of Cabinet Secretaries and the Chairman of the Civil Service Commission, had as one of its mandates to make the Federal service a model employer by both race and sex.

At this time CSC Chairman John W. Macy, Jr., asked Evelyn Harrison, Deputy Director of the Bureau of Programs and Standards, to coordinate the women's program for him, and thus was the Federal Women's Program born in late 1963.

When the 1964 Civil Rights Act was passed, prohibiting sex and other discrimination in employment, it directed the President to issue an Executive order applying the same standards to Federal employment. Esther Peterson, who formerly headed the Federal Employment Committee of the Commission on the Status of Women and now was on the White House staff, had worked along with Evelyn Harrison to get sex included in the Executive order, but to no avail. When Executive Order 11246 was signed in September 1965, sex was omitted.

The Interdepartmental Committee continued to operate, and the White House required monthly reports on appointments and promotions of women to GS-13 and above, but there were no great changes in women's employment. One of the first changes that had to be made was to collect employment data by sex so that progress (or the lack thereof) could be measured. While this was important and necessary, more positive actions were needed. Starting in September 1966, Esther Lawton was detailed to CSC for 6 weeks to develop an action plan to improve the status of women in Federal service. Her 103-page report, "Womanpower: A Manual for Action," contained a five-part program: (1) publicity, (2) improvement of personnel practices, (3) counseling, (4) training and education, and (5) reporting.

1967 Was a Very Good Year

About this same time President Johnson asked the past winners of the Federal Woman's Award to make recommendations to him about women in Federal service. Principal among their recommendations, transmitted in March 1967, was that an Executive order be issued prohibiting sex discrimination in Federal employment. Finally, on October 13, 1967, the President signed Executive Order 11375 forbidding sex discrimination in all aspects of Federal employment as well as by Federal contractors.

The workload at CSC was becoming heavier with the increase in mail about the Federal Women's Program. While Ms. Harrison continued as an Assistant to the Chairman, Tina Lower Hobson was hired in November 1967 as program manager. FPM Letter 713-8, January 25, 1968, detailed an active list of activities for agencies to take in support of the Federal Women's Program. She feels that the major accomplishments during her 2 years were designing a program and evaluation criteria, establishing formats for reporting employment data by sex, and getting the FWP combined with the EEO program, which took place in the spring of 1969.

A typical agency response to this new program was that of GSA, which set up a committee to coor-

dinate such activities. Allie Latimer, GSA's only female GS-15, was named chairman, and the other members were the four female GS-14's in Washington. Ms. Latimer visited other agencies to see what they were doing to implement the FWP. In March 1968, she attended a USDA training seminar for executive women run by Helen Dudley. Ms. Latimer was shocked and surprised that out of the group of over 20 women, only two or three had even heard of the almost-6-month-old Executive order. She decided that an active outside group was needed to publicize the FWP.

Discussions begun in that seminar, and the next session a few months later, continued in a non-air-conditioned church that summer, resulting in the establishment of Federally Employed Women, Inc., in September 1968. FEW has supported the FWP and worked for the same overall goals through different methods. FEW now has 150 chapters across the United States and overseas.

The first issue of *Women in Action*, the Federal Women's Program newsletter, was published in April 1968, but the topics covered in it are very familiar today. Breakthrough appointments and outreach efforts by agencies comprised the substance of actions taken to increase women's employment. In April 1969, a one-year review seminar was held with the dual purpose of giving program orientation to directors of EEO and directors of personnel.

Yes, Virginia,
Progress Has Been Made

What progress has been made in these last 10 years?

Of the women interviewed who were actively involved in the FWP at its inception, all agreed that the major change has been in attitude, a reflection of general social change. Most people now feel that there was sex discrimination in Federal employment 10 years ago, even though they probably do not feel there is any today. This change has been gradual and is well illustrated by the head of an FWP Committee in Atlanta who said in 1972, "Last year they laughed when we had our Federal Women's Week. This year they also laughed . . . but not as much."

One sign that the FWP is being viewed more seriously is the increase in resources devoted to the program. At the first meeting of headquarters FWP Coordinators in July 1970, chaired by Helene Markoff, the second FWP director, there were six full-time FWP Coordinators: in GSA, NSA, SBA, State, SSA, and TVA. Today there are over 50 full-time headquarters FWP Coordinators, with many more in regional offices and field installations, and an estimated 10,000 collateral-duty Coordinators and FWP Committee members around the world. Sex discrimination matters are integrated into the EEO program; sex discrimination complaints are handled the same as those of race and national origin, and agencies that have goals and timetables have them for women as well as for minorities.

During the early 1970's, several administrative changes removed some of the remaining barriers. In May 1971, the restriction on women bearing firearms was removed, opening many law enforcement jobs to women, but it was not until the fall of 1972 that the Acting Director of the FBI opened agent jobs to women. In 1973 the height requirement was removed for most Federal jobs, making these jobs available to many more women. And in 1974, leave provisions were changed to allow advancing up to 30 days of sick leave for maternity leave, similar to other leave situations.

Today, all jobs in the Federal service are open to women, with the exception of certain custodial jobs dealing with one sex (e.g., prison matrons) and ones requiring common sleeping quarters (such as forest ranger). The Commission approves about 500 one-sex requests each year, divided fairly evenly between men only and women only.

When looking at employment statistics covering the last 10 years, the greatest improvement is the large increase in jobs GS-7 to 11 held by women: from 24.5 percent up to 33.3 percent. Part of this

Ten Years of Women's Federal Employment

	Percentage of Women Employees	
	Oct. 31, 1967	Nov. 30, 1976
Total Federal Employment	27.6	30.1
Total GS	42.7	42.6
GS-1 to 6	72.8	72.8
GS-7 to 11	24 5	33.3
GS-12 to 15	5.0	7.6
GS-16 to 18	1.7	2.8
Postal Service	14.6	15.5
Combined Federal Wage Systems	7.6*	8.0
GS Occupational Groups With Highest Percent of Women		
General Adm., Cler. and Office Services	73.1	68.3
Library and Archives	65.4	66.0
GS Occupational Group With Lowest Percent of Women.		
Veterinary Medical Science	1.0	2.4
Engineering and Architecture	1.3	1.6

*as of Oct. 31, 1966

increase comes from the large number of women hired from the FSEE in the late 1960's and early 1970's. From 18 percent in 1963, the percentage of women hired climbed to 38 percent in 1968, but has since dropped to 30 percent in FY 1977. Getting more women into this "pipeline" will eventually raise the number of women in top-level jobs.

Disappointments, Too

Sometimes people wonder if there still is a need for the FWP—"Haven't all of the problems been solved in 10 years?" they ask. Still others feel that because of affirmative action pressures, women are getting most of the jobs, particularly black women who are "two-for's (two for the price of one)." The facts simply do not bear this out. Many problems remain, particularly in getting women into jobs GS-12 and above.

One disappointment of the last 10 years is that the percentage of women in jobs GS-12 to 15 has changed so little: from 5.0 percent in 1967 to 7.2 percent in 1975. And of course the number of women supergrades remains very small. Although more women are being hired from the entry-level exam, this is less true for the mid-level register, GS-9 to 12. For the first half of FY 1977, women were only 15.0 percent of the 2,168 hired from that register. This is one of the major places that veteran preference hinders women's employment; veterans were 60.1 percent of the mid-level hires.

Overall, the Federal work force contains proportionately fewer women than the civilian labor force. Including blue collar and Postal Service, the Federal Government is 30.1 percent female, compared with 39.6 percent for the civilian labor force—a wide gap. In the Federal blue collar area, women have remained at about 8 percent of the work force. While this has not changed in 10 years, at least the percentage has not decreased, while the number of blue-collar jobs *has* decreased.

Another area of disappointment for women is the lack of progress in making part-time jobs available in the Federal service. Ten years ago several agencies had large programs employing part-time professional women workers. The HEW program employed 40 women in grades GS-5 to 15 and the participants traveled, supervised, attended meetings, and did many things not typically expected of part-time employees.

In the last 10 years the number of regularly scheduled part-time jobs compared to full-time permanent jobs has climbed from 4 percent to 6 percent. But most of the jobs and most of the increase are in the Postal Service. In the executive branch, excluding the Postal Service, part-time jobs have remained at just over 2 percent for the past 10 years—a remarkably low figure. And only half of those jobs are permanent positions.

Success Is in the Eyes of the Beholder

In looking at the past 10 years, one can be either optimistic or pessimistic, depending on whether one sees the glass as half full or half empty. It is indeed a mixture, full of successes and breakthroughs, but still not living up to the aspirations of a decade ago.

Many women today do not feel there is much difficulty progressing to the top of a career ladder once they get into the career series. But they also feel that attitudinal barriers prevent them from advancing on into supervisory and managerial positions. And for the largest number of women in the Federal service, those in jobs GS-1 to 6, it is difficult to get into a career series. A recent study by the Commission showed that women with college degrees are one to three grades behind men with the same education level. All of the evidence shows that serious obstacles to advancement remain.

No, it's definitely not time to phase out the Federal Women's Program. If anything, it's time to step up our efforts to fulfill the expectations of 10 years ago and to better use our "womanpower." An active and effective FWP still provides the best and most effective vehicle to attain the equality women have for so long been striving.

CSJ

THE AWARDS STORY

Management Effectiveness in the Incentive Awards Program

Reducing or maintaining costs is one of the primary concerns of any manager. In private industry, cost becomes a matter of competitive advantage, and the profit and loss statement often represents a measure of managerial effectiveness. In the public sector, management effectiveness is judged by the ability to achieve increased productivity, to better serve many publics, to be creative and innovative in obtaining worthwhile improvements in the products of the various organizations.

Unfortunately, in the press of day-to-day business, we tend to overlook the "people" side of public service. Yet it is "people"—your employees—who can and do make the difference between success and failure of the operation for which you as a manager are ultimately responsible and upon which your performance is judged.

You need to foster and encourage a team spirit within your organization, and work to develop the full ingenuity and skill of every employee, if you are to be judged as a successful manager of human resources. You must create a work climate in which employees feel their work is meaningful, that their ideas and achievements are needed and encouraged.

Public recognition of contributions beyond job requirements is an invaluable aid in establishing the right kind of climate. The concept that special effort should receive special recognition or reward is not new—it is a part of our national heritage. And there is growing agreement among behavioral scientists that factors important to motivation include the work itself; responsibility; opportunities for achievement, growth, and advancement; and recognition for good work.

If by your attitude and actions, you demonstrate to your staff that their ideas and achievements will be considered promptly and fairly and will be recognized if they merit an award, you will establish and maintain the work climate needed to get first-class results from your organization.

Effective use of incentive awards is based upon your knowledge of awards authorities and how they may be exercised.

The basic authority for the Federal Incentive Awards Program is Title 5, United States Code, Chapter 45. This law provides authority for agency heads to grant awards up to $5,000, and up to $25,000 with the approval of the Civil Service Commission, and to incur the necessary expenses for honorary recognition of employees whose contributions beyond job responsibility result in improved Government operations or services.

The law also authorizes the Civil Service Commission to prescribe the regulations and instructions under which agencies administer the program. These regulations and instructions are contained in Title 5, Code of Federal Regulations, Part 451, and Federal Personnel Manual Chapter 451, respectively. Agencies, in turn, have internal implementing regulations and guidance to consult when considering award actions.

Other statutory, regulatory, and guidance material that has an impact on the Federal Incentive Awards Program, and with which you should be familiar, follows.

☐ *Title 5, United States Code, Chapter 53,* provides that, within the limit of available appropriations, the head of each agency is authorized to grant additional within-grade increases in recognition of high-quality performance above that ordinarily found in the type of position concerned. Implementing regulations and guidance on quality increases may be found in Title 5, Code of Federal Regulations, Part 531, and Federal Personnel Manual Chapter 531.

☐ *Title 10, United States Code, Chapter 51,* provides authority for the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service of the Navy, to pay a cash award up to $25,000 and to incur the necessary expenses for honorary recognition of a member of the armed forces who contributes to the efficiency, economy, or other improvement of Government operations.

☐ *Executive Order 11438* provides for payment of awards to members of the armed forces by an executive department or agency not having jurisdiction over the armed forces member, for a suggestion, invention, or scientific achievement that contributes to the efficiency, economy, or other improvement of Government operations.

Each department and agency has implementing instructions that also should be consulted before recommendations are made or awards approved. Further guidance on the Federal Incentive Awards Program is contained in:

☐ *A Supervisor's (15-Minute) Guide to the Federal Incentive Awards Program.*

☐ *20/20 . . . Frequently Asked Questions About the Incentive Awards Program.*

☐ *Incentive Awards—A Positive Force in Personnel Administration.*

The first two publications are available from the Government Printing Office. The third item, a slide-tape presentation, is available from the General Services Administration's National Audiovisual Center, or on loan from Civil Service Commission Regional Training Centers or from the Office of Incentive Systems, Washington, D.C. 20415, phone (202) 632-5568. In addition, your local Incentive Awards Program Administrator is available for advice and guidance on the proper use of awards to motivate employees.

The Commission's Office of Incentive Systems currently is preparing training materials aimed at managers and executives, which should be available early in calendar year 1978.

—Edith A. Stringer

SPOTLIGHT ON LABOR RELATIONS

"Annual Report"

Recently released statistics from the Labor Agreement Information Retrieval System (LAIRS) in the Office of Labor-Management Relations indicate a continuing stability in the Federal union-management relations program. Only slight variations were found between the 1976 and 1975 data.

The number of employees in exclusive recognition units declined from 1,200,336 (59 percent) in 1975 to 1,190,478 (58 percent) in 1976. (These percentages are related to *total* employment, including employees not eligible for union representation under E.O. 11491, as amended, e.g., supervisors, managers. As such, these percentages are not intended to indicate the level of union representation among *eligible* employees, nor of union *membership*.)

This is the first time since labor-management relations statistics have been published (1963) that there has not been an increase in the number of represented employees as a percentage of total employment.

Blue-collar employees in exclusive units decreased to 384,820 (–25,896), a 6 percent decrease from 1975. This reflects the exclusion of Tennessee Valley Authority employees, as well as the gradual decrease in wage grade employees.

White-collar employee coverage increased to 805,658, up 16,038 or 2 percent over 1975. Unlike the wage grade employees, this increase is related to an overall increase in white-collar employees.

In 1976, 51 percent of the white-collar work force were represented in exclusive units, compared with 83 percent of the blue-collar employees.

The percentage of employees covered by negotiated agreements declined slightly from 1975 to 1976. Of the entire nonpostal Federal work force, 52 percent were covered by agreements as of November 1976 versus 53 percent in 1975. However, 89 percent of all employees under exclusive recognition are covered by negotiated agreements.

By November 1976, there were 3,567 recognition units, compared with 3,608 in 1975.

Agreements have been negotiated in 40 additional units, 1 percent more than in 1975 and 11 percent over 1974. In total, 2,744 or 77 percent of all units are covered by agreements.

The largest union, American Federation of Government Employees (AFL-CIO), increased its representation by 8,381 to 678,410 employees by the end of November 1976. As of that time, 89 percent of the employees represented by AFGE were covered by agreements.

The National Federation of Federal Employees represented 133,549 employees, a slight decrease of 2,522 from 1975. Ninety percent are covered by agreements.

National Treasury Employees Union, with an additional 5,918 employees, had the largest increase in employees represented. Of the 89,786 total employees, 94 percent were covered by agreements as of November 1976.

National Association of Government Employees also greatly increased their employee representation, from 77,878 to 82,642. The percentage change in the employees represented by NAGE is 6 percent, while NTEU had a 7 percent change over 1975.

Metal Trades Council (AFL-CIO) representation declined slightly from 58,629 to 58,453. A full 98 percent of the employees represented are covered by agreements—the highest percentage of the six largest unions.

International Association of Machinists (AFL-CIO), the smallest union in employees represented, increased from 32,859 to 33,492.

For more detailed statistical information, see *Union Recognition in the Federal Government—November 1976,* which contains a complete listing

of all recognitions in the executive branch, governmentwide, including the Postal Service. The book is available from the National Technical Information Service, U.S. Department of Commerce, 5285 Port Royal Rd., Springfield, Va. 22161.

(Employees of the Federal Bureau of Investigation, National Security Agency, CIA, TVA, the Foreign Service at State, USIA, AID, and foreign nationals employed outside the United States are not covered by E.O. 11491, as amended, and consequently are not included in these statistics.)

Formality of Representation

When does a bargaining unit employee have a protected right under Executive Order 11491, as amended, to representation by the exclusive union in a meeting or interview called by agency management? After carefully reviewing responses submitted by major agencies and labor organizations, the Federal Labor Relations Council has arrived at these distinctions (FLRC No. 75P-2, December 2, 1976):

When the employee is summoned to a formal discussion conducted by management, section 10(e) of the order provides such a right to representation for the employee, as well as for the exclusive labor organization. Therefore, the employee has a protected right "to the assistance or representation by the exclusive representative, upon the employee's request, when summoned to a formal discussion with management concerning grievances, personnel policies and practices, or other matters affecting general working conditions of employees in the unit."

But when the employee is called into a nonformal meeting or interview with management, section 10(e) provides no such protected right to representation for the employee or for the exclusive union. Nor does this right flow from section 1(a) of the order, which grants a protected right to organize, join, or support a labor organization—or to refrain from such activity. In the Council's view, no substantial purpose would be served by stretching the interpretation of the order to create a protected right to union representation at a nonformal investigative interview or meeting called by management to discuss matters of individual employee concern.

The Council notes, in this regard, that Federal employees already enjoy adequate statutory and regulatory protections against arbitrary agency action when serious misconduct is alleged. Such protections commonly include the right to representation, it adds, and this right may be negotiated into collective bargaining agreements for matters not covered by statutory appeal procedures.

A Nonformal Counseling Session

In line with the above major policy statement (FLRC No. 75P-2, December 2, 1976), the Federal Labor Relations Council upheld the Assistant Secretary's dismissal of an unfair labor practice complaint over denial of representation at a nonformal counseling session.

In this case, an IRS employee was "counseled" concerning her extensive use of leave over a long period of time. Since this counseling session involved no disciplinary action and was solely related to this employee, the Council considered the session a "nonformal" meeting. (FLRC No. 74A-68, December 2, 1976.)

Picketing Case-by-Case

Permissible v. nonpermissible picketing will be decided on a case-by-case basis under Executive Order 11491, as amended. This is the Federal Labor Relations Council's response to the decision of the Federal District Court for the District of Columbia mitigating the order's absolute bar against picketing an agency in a labor-management dispute.

According to the Court's decision in *National Treasury Employees Union* v. *Fasser* (CivAct No. 76-408), application of the order's ban on *all* such picketing unduly intruded on free expression. However, the Court allowed as how the order "can constitutionally prohibit any picketing . . . that actually interferes or reasonably threatens to interfere" with agency operations. And it suggested that the Council outline the nature of Federal operations that must be protected.

Following the Government's decision not to appeal this ruling, the Council announced on January 5, 1977, that "the delineation of picketing which is permissible or nonpermissible under section 19(b)(4)" of the order will be accomplished "on a case-by-case basis" (FLRC No. 76P-4).

"Clearly," the Council added, "only when picketing of an agency by a labor organization in a labor-management dispute actually interferes or reasonably threatens to interfere with the operation of the affected Government agency will that picketing be found nonpermissible under section 19(b)(4). If picketing of an agency by a labor organization in a labor-management dispute does not actually interfere or reasonably threaten to interfere with the operation of the affected Government agency that picketing will be found permissible under section 19(b)(4)."

In adjudicating these cases, consideration will be given to "the precise Government interest sought to be protected and such matters as the sensitivity of the governmental function involved, the situs of the picketed operation, the number of pickets, the purpose of the picketing, the conduct of the pickets," and other relevant factors.

—Donna Hartung

all you want to know about...

PERFORMANCE EVALUATION AND RATING

by Priscilla Levinson
and Mary Sugar

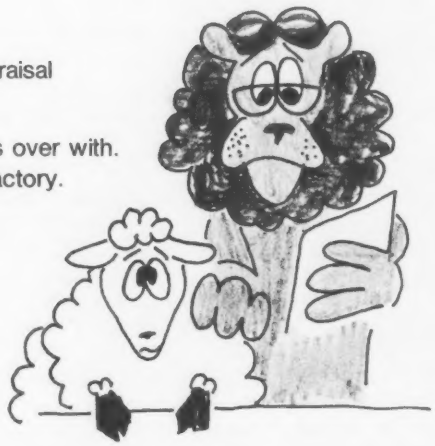
Supervisor: Hi! Come in and sit down.

Employee: You wanted to see me?

Supervisor: Yes. As you probably know it's time for your periodic performance appraisal

Employee: Uh-oh! Is it *that* time again?

Supervisor: Yes, sorry about that. Well, let's get this over with. Overall your work has been very satisfactory. However...



THE DIALOG above reflects the feelings that some employees and supervisors have about performance appraisal and rating today. The problems, both technical and behavioral, that are associated with the evaluation of performance are all too familiar in the private as well as the public sectors.

In recent years, however, there have been many efforts to improve the process and several advances have been made. Newer performance appraisal programs are based on research findings in the behavioral sciences. They involve a shift in emphasis from procedural mechanisms to advantages, opportunities, and methods for improved communication between supervisors and employees.

This approach, which will be discussed again later, is reflected in the completely revised Federal Personnel Manual Chapter 430, Performance Evaluation and Rating, recently issued by the U.S. Civil Service Commission.

What's New?

The *Guide for Improving Performance Evaluation,* in appendix A of chapter 430, has been added to the regulatory and policy material of the chapter to provide state-of-the-art guidance information. This is the first time the Commission has provided such extensive

MARY SUGAR and PRISCILLA LEVINSON are personnel management specialists in the Pay Policy and Development Division of CSC's Bureau of Policies and Standards. They recently completed a major revision of Federal Personnel Manual Chapter 430, Performance Evaluation and Rating, with Mrs. Sugar responsible for regulatory and policy material and Mrs. Levinson in charge of writing the *Guide for Improving Performance Evaluation.*

guidance on the evaluation of performance. Its purpose is to help employees, supervisors, and managers achieve the mutually valuable goals of performance evaluation as set forth in the body of the chapter. In other words, the chapter describes what should be done; the Guide explains how to do it.

The information in appendix A was designed to be complete, clearly written, and understandable to the nonexpert. The material incorporates many findings, information from literature in the field, and tried-and-true techniques and procedures that have withstood the test of time and usage.

The Guide contains sections on the following topics: purposes of performance evaluation, characteristics of effective performance evaluation programs, development of performance standards, review of work progress, and improving appraisals of performance. Also included are discussions of methods, techniques, and procedures for avoiding or minimizing the adverse emotional effects that can be present in the performance appraisal conference between supervisor and employee.

After reviewing the Guide in draft form, several agencies indicated that they plan to use it for a variety of purposes ranging from the development of training courses and manuals for managers and supervisors to revising agency performance evaluation programs.

Why Evaluate Performance?

Performance evaluation is an integral part of general personnel management. Indeed, it serves so many different purposes it is difficult to imagine modern personnel management existing without it. However, it is not an end in itself, but a means of giving management and employees information they both need.

Performance evaluation is a tool, not a goal. As with any other tool, results depend on the type and quality of the tool used, the purposes for which it is used, and the skill of the user.

Why do we evaluate performance? The reasons are well stated in the Performance Rating Act of 1950: to recognize the merits of employees and their contributions to efficiency and economy in the Federal service, to improve employee performance, and to strengthen supervisor-employee relationships. Translated into practice, good performance evaluation can help managers and supervisors to:

☐ Stimulate improved work performance.
☐ Assign work more efficiently.
☐ Improve job placement, i.e., make better employee-job matches.
☐ Keep employees advised of what is expected of them and how well they are meeting these expectations.
☐ Recognize and effectively deal with personnel problems.
☐ Meet employees' needs for growth and development, including training needs, developmental assignments, etc.
☐ Assist employees in setting career goals.
☐ Foster an effective working partnership between supervisors and employees.
☐ Recognize employees' potential for development as managers and executives.

Information gained from good performance evaluations can be used to guide the following personnel actions and decisions:
☐ Performance ratings.
☐ Within-grade increase determinations (for GS employees).
☐ Promotion.
☐ Career development.
☐ Recognition and awards.
☐ Probationary period completion.
☐ Reduction in force.
☐ Lateral reassignment.
☐ Demotion, separation, or other adverse action.

How Can It Be Done Better?

No one enjoys being told his or her faults and shortcomings. Similarly, supervisors and managers do not enjoy telling an employee that they have identified some faults and shortcomings that the employee should correct. Most people do not want to be disliked and few supervisors want to be considered the big bad boss. However, information about shortcomings needs to be conveyed in order for improvement to take place. The Guide discusses ways of criticizing and coaching that maximize learning benefits and minimize resentment and emotional defensiveness.

Good supervision and management is more than just applying regulations. It's knowing how and when to apply them. Just as it is necessary to tell employees of their shortcomings, it is also important to see that employees receive appropriate recognition for very high-quality performance. Following is a case-study problem and answer illustrating a situation in which a performance rating appeal might have been avoided had the supervisor used the management tools available to recognize exceptional performance.

Problem:

Mr. Otto Omega was a Mail and File Supervisor, GS-9. He received a Satisfactory performance rating. When he appealed to the Board of Review to have the rating changed to Outstanding, because there were no performance standards, he submitted his position description to the Board.

Mr. Omega contended that his performance was outstanding based on several tasks and duties over and above his normal duties and responsibilities. Specifically, he cited 3 months of acting for the second-line supervisor who was on sick leave, improving procedures for locating certain types of files, and installing a more efficient method of processing the files.

Should management have taken any action with regard to Mr. Omega's performance? If so, what?

Could the appeal have been avoided?

Answer:

Yes, some sort of incentive award should have been given to indicate that Mr. Omega's performance was deserving of special recognition. Had this been done, the appeal might not have been made. Mr. Omega would have felt that his efforts were appreciated, thus improving his morale and setting a good example for the others to improve their performance.

It is worth noting that part of the problem in the case described above is that there were no specific performance standards. One of the topics discussed in the *Guide for Improving Performance Evaluation* relates to several methods for developing written performance standards. Written standards can help to avoid misunderstanding and confusion on the part of the employee as to just *what* needs to be done (job duties), and *how well, how much,* and *how fast* it needs to be done (performance standards). Written standards of performance provide an objective base from which supervisor and subordinate can work to improve performance and to provide justification for incentive awards and performance ratings, to determine training needs, etc.

Many agency plans deemphasize annual "formal" ratings and place the real worth of performance evaluation on the continuing supervisor-employee relationship. This relationship makes continuing demands on supervisors in day-to-day communication with employees to: solve problems that impede performance improvement, set the climate for motivation, and determine and satisfy training needs in order to improve performance.

Other ways discussed in the Guide to improve communication between supervisors and employees include review of work progress and techniques for criticism and coaching.

Periodic reviews of employee work progress can be helpful in supplying information on job performance. The review also helps achieve several purposes of performance evaluation that are best accomplished away from the emotional atmosphere of appraisals and ratings. Examples would be determining training needs, revising work plans, strengthening supervisor-employee relationships, obtaining feedback, and coaching employees. Work reviews can also help both the rater and the person being rated to reduce the anxiety associated with performance appraisals.

One of the major reasons for appraising performance is to obtain information to be used for promotion purposes. The Guide points out that there is generally a significant difference between performance appraisal for promotion to a different kind of job and performance appraisal to give a summary rating of performance on the same job. The former involves prediction of potential performance and the latter involves observation of actual performance.

Pitfalls and Promise

A major challenge of performance appraisal lies in how to increase its objectivity. Whenever personal judgment is involved, and this is one of the ingredients of performance appraisal, it is important to reduce the possibility of personal bias and unfairness. Following are some of the things that everyone who appraises performance needs to be aware of and avoid:

☐ Rating everyone as average (unfair both to those who excel and those who need help).

☐ Giving inflated or deflated ratings.

☐ Trying to sum up the "whole employee" in a few all-purpose words.

☐ "Halo effect" ratings, which permit one strong factor or one vivid event to impart a general impression that affects the total appraisal.

☐ Appraising without coaching and counseling (unfair and counter-productive to point out what's wrong without also giving advice on *how* to improve).

☐ Being unwilling to take the time and trouble to do a competent appraisal.

Coaching is sometimes described as the process of using on-the-job learning opportunities to develop employees' skills and abilities. It involves mutual efforts by employee and supervisor. Coaching sessions allow supervisors to teach and to improve performance, not merely give warnings or advice.

Coaching sessions also give employees a chance to recognize areas needing improvement, plan for those improvements, and assist in their career development. The cooperation helps to reduce emotional defensiveness and resistance to suggestions on the part of the employee. Coaching requires considerable skill in interpersonal relations.

There will be times when supervisors find it necessary to criticize performance by pointing out mistakes and shortcomings. Criticism, like praise, is most effective when it is timely. Therefore, criticism should not be avoided or postponed even though supervisors may consider it an unpleasant task. When done properly, criticism can be helpful to the employee.

It is important to remember that criticism is a powerful tool. Therefore, when criticism is necessary, it should be given tactfully from a constructive viewpoint, suggesting specific actions that can be taken to overcome the deficiency. Training and practice are required for the supervisor to develop and upgrade the needed insight, empathy, and skills for coaching, criticism, and counseling.

A complete performance evaluation system must satisfy four distinct needs—those of the employee, agency management, supervisors, and the personnel office. Employees need to know what their job requirements are, their strengths and weaknesses in performing those requirements, and what they can do to develop their careers. In order to get the job done effectively, managers and supervisors need to have systematic communications with employees and feedback to use in making management decisions. Managers, supervisors, and personnel officers need data to make decisions on awards, training needs, merit promotions, selections, adverse actions, and also to meet legal and regulatory requirements.

The kinds of benefits to be derived from an effective performance evaluation program may be summarized by these four words: communication, clarification, coordination, and commitment.

—Improved *communication* between supervisor and employee.

—*Clarification* of job requirements and performance expectations.

—Better *coordination* in carrying out tasks and programs.

—Greater *commitment* to meeting job goals.

The benefits derived from an evaluation program depend largely on the extent to which all concerned parties follow through on the goals and commitments to which they mutually agree. No plan for performance evaluation, no matter how good it looks on paper, is going to improve personnel management unless it is well understood, receives continuous followup, and has widespread support at all organizational levels.

CSJ

APPEALS DIGEST

Reduction in Force

Aliens

The appellant was employed in the excepted service at the time of his separation during a reduction in force.

On appeal to the FEAA field office, he stated that he had been placed in the excepted service only because of the provision in civil service regulations that persons who are not U.S. citizens and who do not owe permanent allegiance to the United States may not be admitted to the competitive service. He contended that because this provision had been found unconstitutional by the Supreme Court, he was entitled to the reduction-in-force assignment rights provided to people in the competitive service.

The field office concluded that although the Supreme Court had found the provision at issue to be unconstitutional, it had not provided for the conversion of employees in the excepted service to the competitive service. The field office found further that there was no authority to make such a noncompetitive conversion in the appellant's case, and that the appellant therefore was not entitled to assignment rights during the reduction in force.

Because the appellant had been reached properly for release from his competitive level, the field office affirmed the agency's decision to separate him. (Decision No. NY035170004.)

Discrimination Complaints

Sex discrimination

Complainant, who was employed at an overseas military installation, filed an EEO complaint alleging that the agency discriminated against him because of his sex in its application of its billeting policy. Specifically, complainant alleged that female civilian employees, Defense Department teachers, and Red Cross employees were given housing superior to that which male civilian employees had in Bachelor Officers' Quarters.

The EEO officer at the installation (the commanding officer) rejected the complaint because "a matter of employment" was not involved. A complaint involving a matter other than employment is not within the purview of part 713 of the civil service regulations.

The Appeals Review Board reversed the agency's ruling in the case, finding that the billeting policy was indeed an "employment matter" over which the agency had jurisdiction and discretion. The Board found that granting housing, or an allowance in lieu of housing, is a fringe benefit of employment for complainant and others in his position.

Since the complaint was found to be within the purview of part 713, it was returned to the agency for appropriate processing. (Decision No. RB071370267.)

Adverse Actions

Failure to comply with grooming standards

The appellant was removed from his firefighter position based on a charge of failure to comply with a written instruction regarding grooming. It was his third offense. The record established that appellant's hair style, a full head of naturally curly hair, did not conform with the standards set by the agency. Those standards indicated that the proper wearing of protective shields, masks, and respiratory equipment is hampered when they must be fitted over long hair. The appellant appealed the removal to FEAA.

Taking note of the U.S. Supreme Court decision in *Kelley* v. *Johnson,* No. 74-1269 (decided April 5, 1976), the field office found that there was a rational connection between the grooming standard and the promotion of safety. This was true even though there had been no showing that any actual hazard had developed during the period of appellant's nonconformance with the standards. The field office relied on evidence presented by the agency that tests of the type of equipment appellant might use in the performance of his firefighting duties had shown that the user's hair style could create a safety hazard.

The field office concluded that the agency's responsibility to promote the safety of its employees as well as that of the public it serves outweighed the claimed infringement on appellant's rights.

Based on the current charge and taking into consideration appellant's past record of similar offenses, the field office affirmed the removal action. (Decision No. AT752B70004.)

Hearings on classification downgradings

The appellees were subjected to downgrading actions as the result of their agency's initial application of a new Civil Service Commission

classification standard. The FEAA field office, after affording the appellees a hearing, sustained the downgrading actions of the agency.

The Appeals Review Board granted the appellees' request for reopening on the basis that the field office misapplied Commission policy in processing their appeals. The ARB noted what the Commission's policy is in the case of an employee making an adverse action appeal from an agency demotion action based on a classification or job-grading decision. That policy is to let the employee contest the accuracy of the position description and to ascertain the basis on which the agency decision to downgrade the position was made.

The Board concluded that the appeals officer misapplied Commission policy when he denied appellees an opportunity at the hearing to cross-examine the agency's classifier. This denied appellees the chance to find out how he arrived at the classification and the downgrading of the different positions.

The ARB rescinded the decision of the field office and remanded the case to the field office for a new hearing and adjudication. (Decision No. RB752B70089 (DE752B60101).)

Concurrent discrimination complaint

On appeal to the FEAA field office from his removal, appellant alleged that he had been removed in reprisal for his filing a discrimination complaint. He was advised that he could pursue the matter of his removal, along with the allegation of reprisal, either in an appeal under part 752B of the civil service regulations or in a complaint under part 713 of the regulations, but not under both procedures.

He elected to pursue the matter under 713, but continued to request that his removal (but not the allegation of reprisal) be reviewed under the appellate system. The field office then declined to entertain the appeal, and the appellant asked that the Appeals Review Board reopen the case and reconsider the field office decision.

The Board found that the field office correctly interpreted and applied the provisions of sections 713.236 and 772.306 of the civil service regulations when it required the appellant to choose between appeal and complaint in pursuing the matters at issue. It found further that the appellant had elected to pursue his complaint, rather than his appeal, and that the field office acted properly in declining to entertain the appeal.

The Board therefore found no showing of probable error by the field office, and declined to reopen the case. (Decision No. RB752B60379.)

—Paul D. Mahoney

The Solution

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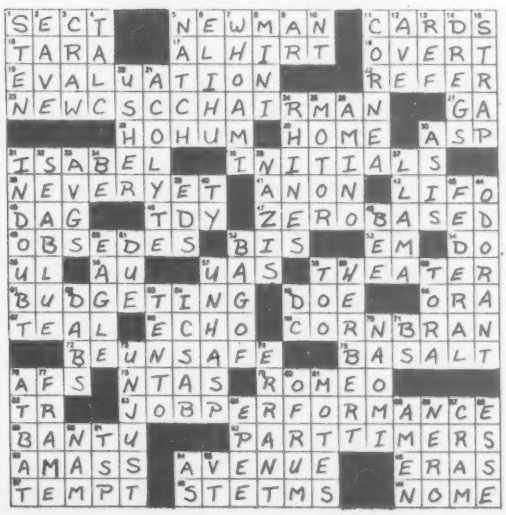

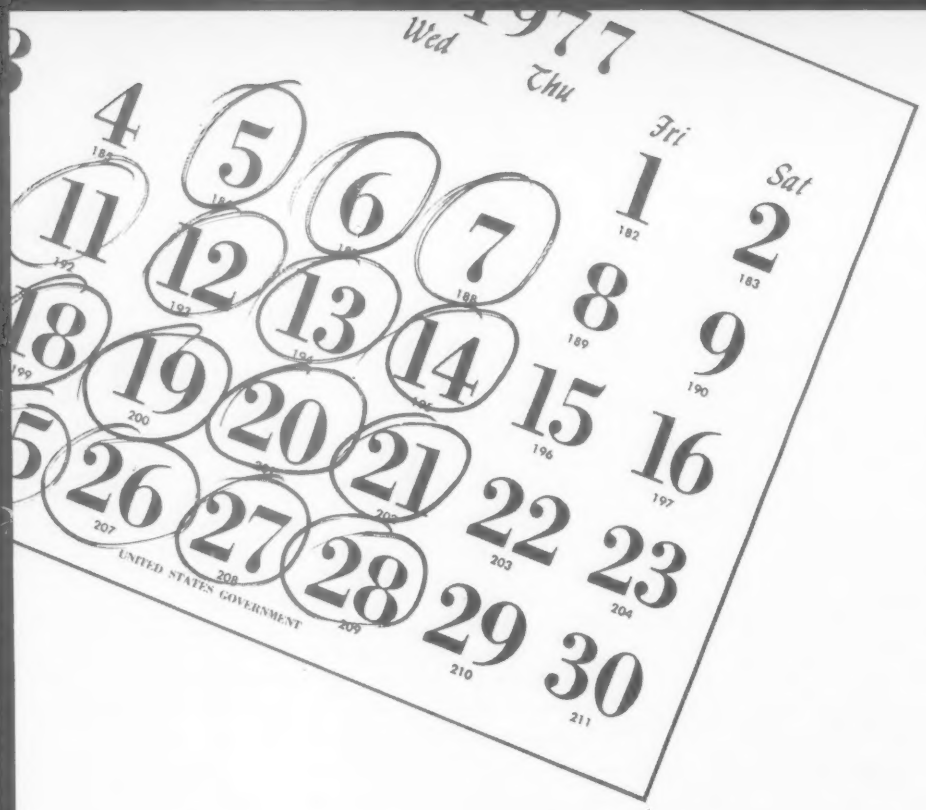

one solution to
serious staffing problems

A NEW LOOK AT PART-TIME EMPLOYMENT

by Don Dillin

BETTY BARKER is a GS-15 supervisory economist with the Bureau of Economic Analysis, Department of Commerce. Currently Assistant Chief of the International Investment Division, she helps supervise a staff of 50 people. Barker and her staff collect and analyze data on the overseas operations of U.S.-based multinational corporations, and on the operations of foreign multinational companies working in the United States.

Janet Nathanson is a GS-14 computer systems analyst with the Pension Benefit Guaranty Corporation. Nathanson previously worked for the Departments of Labor and Health, Education, and Welfare in the field of data base management before coming to work for the Pension Benefit Guaranty Corporation as Data Base Administrator.

To stimulate more interest in personnel management and public administration issues, the *Journal* will run articles that may be considered controversial and do not necessarily reflect Civil Service Commission policy. This article, on part-time employment, was prepared for a graduate course in public personnel management by Don Dillin, CSC's Office of Public Affairs. The opinions and recommendations are his personal views.

These two people share something in common with some 23,000 other Federal employees in permanent positions outside of the Postal Service: they work less than full time.

As part-time workers, Barker and Nathanson represent a large and usually overlooked source of qualified people who could staff positions that are currently vacant for lack of qualified personnel.

How did they get into part-time work, and how do they feel about it?

After working for nearly 10 years with the Federal Government as a full-time economist, Barker requested a change to part time, so that she could spend time with her son. She now works 3 days a week. She doesn't feel that her part-time status is detrimental to her staff relationships.

"Most of the time the people in the office plan things around the days when I am available," she said. "It has actually worked out quite well."

Nathanson has worked part time for 10 years at Labor, HEW, and now the Pension Benefit Guaranty Corporation. Until recently she had been working 5 hours each day, but now has changed to 7 hours a day.

Nathanson feels that her part-time employment "works out marvelously" both for herself and for her employer. She said that she thinks the part-time worker is generally under more pressure to make the most of the time available.

Both Barker and Nathanson said they would have had to reconsider their job situation had they not had the opportunity to change to part-time status. In both cases, management felt that their work and contributions to the goals of their agencies were of such quality that it took the step of changing their working hours, rather than risk losing two valuable workers.

There are no statistics to confirm or deny it, but conversations with part-time workers and personnel directors seem to indicate that most part-time workers—in permanent positions and working on a regularly scheduled basis—are former full-timers now working a part-time schedule because agency management did not want to lose their expertise. Given the choice of losing an outstanding employee or accepting less than full-time work from that employee, agencies appear to decide in favor of retaining the individual.

A Passive Process So Far

This filling of jobs with part-timers seems to be a passive process on the part of agencies. There are very few part-time jobs set up without a specific employee in mind. Generally, the employee has requested a change in work schedule to part time.

If there are jobs in the agency that are difficult to fill with qualified people, why is agency management reluctant to give any consideration to staffing these positions with part-time workers?

One of the two basic reasons for not viewing part-time workers as a potential resource for doing the work of the agency is that part-time work is not regarded as appropriate for the mainstream of the agency's work. Evidence of this appears in a General Accounting Office Report to Congress on "Part-Time Employment in Federal Agencies" (Report No. FPCD-75-156, January 2, 1976). In this report, GAO states:

"The full-time permanent work force provides the management expertise and continuity of effort needed for carrying on the agency's principal programs and functions. However, when workloads temporarily increase, emergencies occur, or activities are undertaken not requiring the services of full-time permanent employees, part-time workers may be the most cost-effective source of needed manpower."

In the appendix to the same report, the Office of Management and Budget echoes this philosophy. OMB states that:

". . . consideration is given to requests for part-time and temporary employment commensurate with the agency's perceived needs to cover periods of unusual workloads."

The common thread is the phrase, "unusual workloads." Part-time workers are seen as stop-gap solutions to seasonal fluctuations in workload. They can and do work in massive numbers to handle Christmas mail, to process tax returns, to move out benefit checks. But the part-time worker is just not recognized as a potential resource for doing the regular, continuing work of the agency.

William B. Werther, in the March 1976 *Personnel Journal* (pp. 130-133: "Mini-Shifts: An Alternative to Overtime"), says that most managers do not regard part-timers as mature, dependable workers, because of their association of the concept of part time with young and inexperienced transient workers.

The Effect of Ceilings

But by far the most significant reason why Federal agencies do not hire more part-time employees is the employment ceiling restrictions placed on executive branch agencies by the Office of Management and Budget. (However, the Department of Defense ceilings come from Congress, not OMB.)

The purpose of the employment ceiling is to keep growth in Federal employment under control. The ceilings for each agency and department are established by OMB and the President during the annual budget review.

There are two ceiling levels. The first is the ceiling on *full-time permanent employment*. The second, higher ceiling is on *total employment*. The difference between these two ceilings is usually called the "derived" or "other" ceiling. This "other" ceiling becomes, in effect, the limitation on the number of part-time workers that an agency may hire.

The actual use of the ceiling by Federal agencies merits description since, as it will soon be seen, it has important negative effects on the willingness of agencies to hire part-time permanent employees.

Agencies in reality have considerable flexibility to exceed the ceiling. The ceiling must only be met *one day* in the year: the last day of the fiscal year. To get around the ceiling restriction, Federal agencies may juggle their employees, terminating some temporarily and then rehiring, all in order to meet the ceiling limit on paper the one day of the year it is scrutinized by OMB.

Despite that kind of flexibility, however, the abuse of the ceiling is not massive, since such juggling of employees each year would be chaotic. Therefore, the ceiling does effectively restrict the ability of the agency to hire unlimited numbers of employees, even within their budget appropriations. And this last point is the issue critics most often cite as the fundamental flaw in the system of personnel ceilings.

Even though many Federal agencies receive budget appropriations that would permit the hiring of additional personnel to carry out additional program responsibilities mandated by Congress, OMB's personnel ceilings do not permit the additional hiring. Critics suggest that agency managers should be allowed to operate within their budget allocations to perform the assigned responsibilities of the agency, even if it means hiring additional personnel. They suggest that the budget restrictions would be a more realistic limit on personnel strength, and that agency management would bear a more realistic responsibility to account for the success or failure of agency programs. Currently many agency managers point to the personnel ceiling as a prime reason for lack of progress in programs.

As mentioned earlier, the difference between the full-time permanent employment ceiling and the total employment ceiling is the essential limitation on the number of part-time employees who may be hired. This iimit includes many other categories of employees, however. In addition to part-time permanent employees, the limit includes full-time temporary employees, intermittent employees, and part-time temporary employees.

Whether an employee works 2 hours a week or 39 hours a week, he or she is still counted as one unit against the derived ceiling limitation. When this fact is combined with the feeling of many agencies that their ceiling limitation is unrealistic considering their program responsibilities, the natural result is that agencies tend to hire 39-hour-a-week employees to fill the slots in the "other" ceiling. They do not want to "waste" the limited number of slots on lesser amounts of total staff-hours. This effectively discourages any hiring of true part-time employees.

Moreover, it could even be argued that an agency not using its derived ceiling to the maximum (i.e., 39-hour workers) was not deserving of additional "slots" during the next budget cycle. A large number of part-timers could thus hurt an agency's chances of increasing its work force to take on new programs.

There is a provision for splitting full-time ceiling slots into two part-time positions that would total the number of staff-hours of a full-time position. But in order for an agency to take advantage of this provision, it must first prove that its "legitimate needs" cannot be met within the full-time permanent ceiling, and also prove that it cannot meet its needs through the "other" ceiling. Then and only then can an agency apply to convert a full-time permanent position to two part-time positions.

This long road to make use of two part-timers to fill a single full-time position lays an agency open to an OMB look at how it is really using its "other" ceiling (staffing it with nearly-full-timers, contrary to the intent of the ceiling). Moreover, the agency is not certain that the split position can be converted back to a full-time position when necessary. Needless to say, no agency has ever used this provision for creating part-time jobs.

Why Go the Part-Time Route?

Why—in a buyer's market for employers—would an agency be concerned about hiring part-time permanent employees at all?

There are some social reasons —it promotes the hiring of homemakers and retirees—but these reasons are beyond the scope of this article.

There are some purely economic reasons, too. Hiring part-timers is less costly than putting workers on overtime, even though the cost benefit is partially offset by administrative costs involved with additional personnel.

But there is an even more fundamental reason why agencies need to look at part-time staffing *now:* There are a number of positions in certain occupations that are now vacant and agencies are having great difficulty staffing them with qualified personnel. And so far, for the reasons given previously, agencies have not even considered part-time personnel as one solution to this serious staffing problem.

Some occupations in this category are listed below.

General Schedule grades 9 through 12 ("mid-level" positions):
- Economists
- Program analysts
- Contract specialists (procurement)
- Vocational instructors
- Technical writers-editors (special areas)
- Printing managers
- Position classification specialists

General Schedule grades 13 through 15 ("senior-level" positions):
- Financial managers (corporate finance)
- Economists (especially in

econometrics, macro/micro, and health-related areas)
Program analysts (especially with MBO background)
Nursing administrators
Transportation industry specialists

When personnel shortages exist and cannot be filled with full-time permanent personnel, it would be appropriate to look at potential sources of qualified part-time applicants. These sources include university faculties, former Federal employees (retirees or those voluntarily separated), consultants, and other persons unable or unwilling to work full time.

The Civil Service Commission's Office of Senior-Level Staffing has conducted extensive recruiting campaigns for some GS-13 through 15 shortage occupations with little success. One principal target of the recruiting campaigns was private corporations (the "Fortune 500") and major financial institutions. There was no response from these groups because individuals generally receive larger salaries in private sector positions in those fields than they could receive working for the Federal Government.

When universities were targeted, recruiters found a reluctance on the part of university faculty members to abandon their teaching careers elsewhere and move to Washington, even at a substantially higher salary.

Recruiters said they had never tried to recruit local faculty members for part-time work because there had never been any requests from agencies for referral of part-time applicants. They agreed, however, that it would be logical to expect there would be some interest among local Washington, D.C., area faculties for this kind of arrangement. It just had never been tried before.

The present operation of the OMB ceiling system, general attitudes toward part-time employees, and the lack of recruitment campaigns to provide a readily available supply of part-time applicants should agencies be interested in hiring them—all these factors operate in concert to prevent any real initiatives on the part of agency managers to look at part-time employment as one solution to critical staffing needs.

These restrictions inhibit agencies in successfully meeting some of their program responsibilities, and they also deny to a large pool of highly qualified talent any real opportunity to join the Federal work force on other than a full-time basis.

Possible Solutions

There are several alternate solutions to this situation.

(1) Pro-rate ceiling slots by full-time equivalent. This would permit Federal agencies to hire any combination of full-time and part-time employees to fulfill agency staffing needs as long as a maximum number of staff-hours would not be exceeded. This is a much more realistic approach to the ceiling limits, yet it is consistent with the executive branch's perceived need to limit the total cost of the Federal payroll, as well as to limit the number of workers employed.

(2) Within existing ceilings, allow splitting of full-time positions into two or more part-time positions with the same number of total staff-hours, without a special request to the Office of Management and Budget (as is presently the case). This recommendation would let agencies use part-timers to fill critical staffing needs that cannot be met because full-timers are not available. It would also allow agencies to experiment with staffing those positions central to the agencies' mission with qualified part-time personnel, without having to justify why this is absolutely necessary. In an era of high unemployment, this would provide work to a larger number of people, while still fulfilling the agency's mission and not ignoring in principle the need to restrict the Federal payroll to reasonable limits.

(3) Eliminate the personnel ceiling entirely, and rely on budget restrictions, and strict accountability for program management, to keep a lean work force. Many critics of the present ceiling system feel this would force greater efficiency into Federal personnel management.

(4) Encourage agencies to consider part-time staffing as a resource for carrying out mainstream agency functions, particularly in shortage occupations. This encouragement could come from the Civil Service Commission, from the White House, or from legislation (Senator Tunney introduced a bill in 1975, which passed the Senate, that would have required Federal agencies to hire part-timers in certain percentages for each General Schedule grade . . . a similar bill is now before Congress). Such encouragement would be most effective and most capable of implementation if the previous three recommendations were carried out.

It is ironic in a period of high unemployment that there are many key positions left vacant for lack of qualified personnel. And even more ironic is the failure of Federal agencies to look at an overlooked resource of qualified personnel—the part-time worker.

It is very important to remove the restrictions that deny part-time staffing resources to the Federal Government. To perpetuate those restrictions is to squander the valuable investment that society has made to train these people. And when the failure to use part-time employment to fill otherwise vacant positions results in failure to accomplish important work of a Federal agency, the Federal employment system and Federal agencies have failed to live up to the responsibilities mandated by America's elected representatives. CSJ

STATUS REPORT ON FEDERAL LABOR-MANAGEMENT RELATIONS

by Anthony F. Ingrassia
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U.S. Civil Service Commission

THE FEDERAL labor-management program is a unique one, specifically developed, tailored, and periodically revised to meet the special conditions and demands of Federal service. This doesn't mean that the program is without its "warts." It is not perfect; there is always room for improvement. But by the same token, it must be said that the program has more than adequately met the objectives established for it by a succession of Presidents from both political parties.

The program was established to fit the framework of the Federal personnel system. This system is set forth in numerous acts of Congress and rules and regulations of the executive branch. All have an impact, direct or indirect, on wages, hours, and conditions of employment that go into the traditional give-and-take of collective bargaining.

Thus, it not only is appropriate, but mandatory, that the labor relations program defer to the special requirements of law and statutory authority. While the same could be said of the private sector, what distinguishes the Federal program from the private sector's is the fact that there are so many more laws governing policies affecting Federal employees.

Even with these restrictions, the Federal program was, and is, consciously designed to address those areas of concern that are vital to any system of union-management relationships—whether governed by law or Executive order. These key areas taken category-by-category are the subject of this article.

Philosophy or Purpose

Changes, many of them major, have been made in every category discussed here through the succession of Executive orders governing the Federal program—with the sole exception of basic philosophy or purpose.

This was the case from the outset and it continues, in order to promote the well-being of employees and the efficient administration of Government operations. It was most recently stated by President Carter in a message on February 24:

"Even though these changes have occurred and new Executive orders have been issued, the fundamental purpose of the Federal service labor-management relations program has remained constant. It was established to promote the well-being of employees and the efficient administration of the Government by providing employees an opportunity, through duly selected unions, to participate in the formulation and implementation of personnel policies and practices affecting the conditions of their employment. The program has been designed to provide an equitable balance of rights and responsibilities among the parties directly at interest—employees, labor unions, and agency management—and the need above all in public service to preserve the public interest as the paramount consideration."

While he reaffirmed this fundamental philosophy or purpose as the foundation for the Federal labor-management program in his administration, President Carter also indicated that, like Congress, he too desires to take an early

ADAPTED from testimony given by Anthony F. Ingrassia, Director of CSC's Office of Labor-Management Relations, before the Subcommittee on Civil Service, House Post Office and Civil Service Committee, March 15, 1977.

look at the program and how it is operating. Again, quoting from his February 24th message:

"The President plans to hold full discussions with the new members of the Federal Labor Relations Council as soon as they are all in place and have had an opportunity to assess the operation of the program so as to ensure that it is promoting these policies and principles . . . our common goal of making Government work better in serving the needs of the American people."

Philosophy or Purpose

✔ Coverage

The Federal program covers most agencies and employees in the executive branch. As of last November, according to figures released by the Civil Service Commission, nearly 1.2 million employees were organized into exclusive bargaining units in 54 departments and agencies. These organized workers account for 58 percent of the total work force (an even higher percentage of the eligible work force)—well over double the rate in the private sector under the National Labor Relations Act.

Union organization appears to have achieved a level of stability in the program. The growth of exclusive coverage has tapered off at about the same average level, 57-59-58 percent, over the past 3 years as a whole.

Philosophy or Purpose
Coverage

✔ Central Authority

The Federal Labor Relations Council is responsible for overall administration of the program, and is final arbiter of most questions under it. It consists of the Chairman of the Civil Service Commission, the Director of OMB, and the Secretary of Labor.

The Council performs an appellate role in the program similar to the courts in private-sector labor relations. Agencies, unions, and employees under Executive Order 11491 thus have access to a kind of "judicial review" to the Council—from determinations of nonnegotiability, from the awards of arbitrators, from decisions below in representation and unfair-labor-practice cases, and from other kinds of rulings by the Assistant Secretary of Labor for Labor-Management Relations. In fact, the Council stands in much the same relationship to the Assistant Secretary as do the courts to the National Labor Relations Board.

Like the courts in private-sector labor relations, the Council has followed a calculated policy of "judicial nonintervention" in appeals from decisions of the Assistant Secretary and from the awards of labor arbitrators. In both areas, the Council has limited its review to the narrow grounds used by the courts in the private sector.

Of the 1,605 Assistant Secretary decisions in calendar years 1970-1976, 302 have been appealed to the Council—of which the Council has accepted only 43 (or 3 percent of all Assistant Secretary decisions) and remanded just 28.

Although it received 139 appeals from arbitration awards from 1970 through 1976, the Council has accepted only 43 for review and has modified or set aside the arbitrator's award in just 19 cases.

The third-parties in the program include:

—The Assistant Secretary of Labor for Labor-Management Relations.

—The Federal Service Impasses Panel.

—The Federal Mediation and Conciliation Service.

—Labor arbitrators.

Philosophy or Purpose
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Central Authority

✔ Bargaining Unit Structure

The determination of appropriate units—that is, groupings of employees—for purposes of dealing collectively with management has proved to be one of the most controversial areas of the program. This is not surprising since decisions on appropriateness of units directly affect a union's ability to organize, management's ability to operate efficiently, both parties' ability to deal effectively, and in the Federal program, the scope of bargaining.

The original order contained a "building blocks" approach, with informal, formal, and exclusive recognition; only the latter permitted the negotiation of agreements.

Coupled with a policy of mandated management neutrality, which facilitated easier organizing, the number of exclusive units proliferated from 61 in 1963 to 2,647 in 1969, the last year under Executive Order 10988. This led to concern from agencies faced with dealing with so many units—sometimes a dozen or more at the same installation—and from employees and unions who discovered there was limited discretionary authority within which they could bargain for improved working conditions. Attempts were made to deal with this problem by broadening the requirements for appropriateness and by permitting easier consolidation of existing units.

While it is too soon to tell, it may be that a high-water mark has been reached in proliferation

of bargaining units. CSC figures show 3,567 units as of November 1976, down 41 from 3,608 in 1975. This is only the second time the number of units has not increased in the 14 years that statistics have been compiled. (There was a net reduction of 3 in 1974.)

However, the average unit size of 334 employees in 1976 was not appreciably larger than the average of 322 in 1969. Clearly, many additional units have been spawned in recent years, but they are not getting materially larger.

The efforts to relate unit structure to the scope of bargaining, and vice versa, are stressed here because it would be a serious mistake not to balance these two elements carefully in any collective bargaining system. When a system promises—or is expected to produce—more than it can, frustration is sure to follow.

Some statistical observations may shed additional light on the extent of organization. Under Executive Order 10988, a 60-percent turnout of eligible employees was required for a valid representation election. As a result, unions at times failed to achieve exclusive recognition even though a majority of those casting ballots favored such representation. The 60-percent requirement was dropped under Executive Order 11491. Nevertheless, voter participation, while at times as low as 15 or 20 percent in individual elections, has remained fairly constant. From 1971-75, 56.7 percent of the eligible voters participated in representation elections. Perhaps more significantly, unions were certified for exclusive recognition in 87.5 percent of the elections. By contrast, according to recent private sector figures released by the National Labor Relations Board, 88 percent of the eligibles turned out to vote in representation elections, and unions gained exclusive recognition in just 48 percent of the cases.

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Scope of Bargaining

The basic definition of the scope of bargaining has remained the same in the Federal service labor-management program throughout its 15-year history—personnel policies and practices and matters affecting working conditions. But its meaning has been amplified each step of the way—most recently under 1975 amendments, which subject the vast majority of agency personnel policies and regulations to collective bargaining at any level.

At the present time, collective-bargaining contracts cover 2,744 (over three-fourths) of the exclusive units in the Federal service—accounting for over 1 million workers, or just under nine-tenths of the organized work force. Not only is the number of contracts increasing, but even more significantly, there is a faster increase in the coverage of more substantive provisions in contracts. This becomes more and more apparent every time we take a fresh look at what has been negotiated.

From 1974 to 1976, gains over 50 percent each were registered in the number of contract provisions dealing with union rights in grievances, labor relations training, excused time for training, counseling, suggestions and awards, environmental pay, technological displacement, past practices, transfer, pay policy, and so-called "zipper" clauses. The biggest increases—over 60 percent each—came in the negotiation of pay policies, treatment of past practices, and excused time for training.

Nor do collective-bargaining contracts alone—as substantive as they are in scope and as broad as they are in impact—represent the outer limits of union influence on personnel conditions in the Federal service. This is because their full impact on decisionmaking reaches well beyond the boundaries of the Executive order on labor-management relations—to white-collar pay, to blue-collar pay, to Government-wide personnel policies, and to legislated improvements.

While dealings on these Government-wide issues do not equate with traditional collective bargaining, when they are viewed together with what is negotiable it becomes apparent that unions in the Federal service have input—in one form or another—and impact in the full range of areas dealt with by unions in other labor-management systems.

Under the Executive order, an area that has become a target of union criticism involves its management-rights provisions. In its 7-year report, the Council concludes that they nonetheless have worked out reasonably well in practice—permitting considerable bargaining with regard to the procedures used and the impact on employees of management decisions and actions. The record shows there is plenty of bargaining going on in and around some of the areas we call management rights—at least with respect to procedures and impact. And much of this negotiation is going on in areas that are not within the obligation to bargain but where bargaining is permitted.

There is one area in the scope of bargaining that we feel deserves special mention: grievance-arbitration. Grievance procedures and arbitration provisions (mostly binding) appear in more collective-bargaining contracts affecting more Federal employees than any other subject area in our LAIRS file.

Based on a review of the more than 900 arbitration awards in the LAIRS file, the time-in-process from inception of the grievance to the award itself has averaged just over 9 months under Executive Order 11491, 1970-to-date. This compares with the average time-in-

process of 7½ months in private-sector arbitration, according to current FMCS statistics, under a system that has been in place for over 40 years.

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✔ Impasse Resolution

It has been the consistent policy of the legislative, executive, and judicial branches of Government that Federal employees do not—and should not—have the right to strike. Congress has legislated, and the courts have upheld, the basic statutory prohibition and penalties against Federal employees striking the U.S. Government.

However, it is not enough to outlaw the use of the strike; there has to be something in its place—some procedure, some machinery—to settle impasses that arise during contract negotiations.

If mediation fails to resolve the impasse, it goes to the Federal Service Impasses Panel. From the thousands of negotiations and renegotiations that took place from 1970 through 1976, the Panel has received a total of only 240 cases. In its entire history, the Panel itself has passed on only 32 cases—total. In 28 of those cases, the Panel issued recommendations that formed the basis for settlement by the parties. In just four cases has the Panel issued a binding decision and order.

The inescapable conclusion is that the procedure and machinery established under the Executive order for resolving impasses are meeting all of the criteria necessary to an effective and credible system for impasse resolution: timeliness, awareness, acceptability, and finality.

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✔ Union Security

The issue of union security is one that has been handled in a variety of ways in the Federal program. We begin from the premise that union participation and support are strictly voluntary—a cornerstone of labor-management relations for Federal employees, including postal. Thus, there is no entitlement to or authority to negotiate mandatory dues payment or representation fee. Nonetheless, exclusive unions have a number of other arrangements under the program that are of direct economic benefit to them for maintaining financial stability.

Presently, for example, we estimate that about 550,000 nonpostal workers are on dues withholding. Again according to our estimate, they are paying approximately $29 million annually to unions holding exclusive recognition under Executive Order 11491, as amended.

The previous requirement that the administrative costs (to the agency) of making dues deductions be recovered from the labor organization was eliminated in 1971 to make such service charges negotiable. At that time, the charge was running an average 2¢ per deduction (each biweekly pay period). Now the parties may agree to any reasonable charge to the union for this service—or to no charge at all, if that's what is negotiated.

Under Civil Service Commission regulations, designed to balance the principle of employee voluntarism with the desire for a reasonable measure of union financial stability, authorizations for dues withholding are irrevocable for 6-month intervals.

But neither the Commission under its regulations nor the President under the periodic changes in the Executive order has altered the essentially voluntary nature of the employee's election of union dues payment.

There are other ways—besides voluntary dues withholding and short of mandatory dues withholding—in which labor organizations are permitted to defray their operating costs in the Federal program. The major ones fall in the areas of:

1. Payment toward the costs of bargaining. The parties are authorized to negotiate provisions for paying employees representing the union in bargaining during regular working hours up to 40 hours or one-half the time spent in negotiations.

2. Payment of time spent in employee representational functions. This involves the authorization of official-duty time for stewards and other employee representatives in policing the negotiated agreement, preparing and presenting grievances, and the host of other functions associated with administering the agreement.

3. Other direct services to the union. This includes, for example, union office space and the like, provided under negotiated agreements.

In addition, employees who appear as witnesses for the union in third-party proceedings under the order may be authorized official time if deemed necessary by the third-party agent involved.

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Union Security

✔ Unfair Labor Practices

The unfair-labor-practice prohibitions are designed to protect the rights under the program of individual employees, labor organiza-

tions, and agencies. Activities that are proscribed by Executive order in the Federal service generally parallel those that are proscribed by the National Labor Relations Act in the private sector—for example, the refusal or failure to bargain in good faith.

Under the Executive order, a labor organization is prohibited from calling or engaging in a strike, work stoppage or slowdown, or picketing an agency in a labor-management dispute. With respect to picketing, however, the U.S. District Court for the District of Columbia recently held—and the Government did not appeal—that the order's restriction on all picketing in a labor-management dispute is overly broad and that such restriction may be applied only where picketing of an agency actually interferes or threatens to interfere with the operations of that agency.

Where the Assistant Secretary of Labor for Labor-Management Relations finds an unfair labor practice in violation of the order, he fashions an appropriate remedy. As he deems appropriate, for example, the Assistant Secretary may issue a cease-and-desist order, or direct the rescission of the action found to be violative of the order and a return to the *status quo ante*. He may make whole any affected party, or he may order any other affirmative action deemed appropriate under the circumstances.

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Standards of Conduct

Labor organizations that represent employees in the Federal service must subscribe to the same standards of internal conduct governing unions in the private sector.

In addition to the prohibited activities that constitute unfair labor practice under the order, labor organizations must maintain democratic procedures and practices in conducting the affairs of the organization; they must exclude from office persons identified with corrupt influences; they must insure that their officers engage in no business or financial activities that conflict with their official duties to the organization; and they must maintain fiscal integrity in the affairs of the organization. Additionally, labor organizations are subject to certain requirements for reporting and disclosure, administered in the Federal service program under regulations of the Assistant Secretary.

Violations of the standards of conduct are subject to remedies pursuant to the procedures established under regulations of the Assistant Secretary for that purpose. Violations involving discrimination with regard to union membership may be remedied through the unfair-labor-practice provisions of the order and the implementing regulations of the Assistant Secretary. In fashioning a remedy for such violations, the Assistant Secretary may issue a cease-and-desist order or require any affirmative action deemed commensurate in the circumstances.

These then are the key areas of policy and operation in the Federal labor-management relations program. The program's effectiveness in treating these areas is assessed in the Federal Labor Relations Council's report on Executive Order 11491, 1970-76:

"As a result of the operation of the program under the order, together with these activities outside the order, labor-management relations in the Federal service has grown progressively stronger.

"Relationships between employees, unions, and management under the order are now, for the most part, positive and productive, even though some managers seem unwilling to accept constrictions on their prerogatives; both management and unions in some instances still fail to recognize the objectives of the entire program, viewing their relationship as solely adversary; and the parties in too many cases persist in approaching collective bargaining with an overly technical and legalistic attitude.

"Overall, a strong and viable Federal program has evolved in which a reasonable balance has been struck between management's ability to manage and the rights of employees to have a persuasive voice in matters affecting them on the job."

The positive assessment of the program is not confined to a "Washington view." Last August, the Civil Service Commission's 10 Regional Labor Relations Officers conducted a survey of the climate for labor-management relations in a sample group of 107 Federal field activities. The activities were selected by Regional LROs as representative of the totality of labor relations activity within their regions. Emphasis was placed on getting the views of operating managers, as distinguished from the program orientation of labor relations specialists.

Overall, the survey found that agency field management has a positive assessment of the labor relations program. The union relationship is generally viewed as making a constructive contribution to the total management process, and management seems confident of meeting its obligations under the Executive order. The survey, of course, was the product of the subjective evaluations of activity-level managers. As such, it does not reflect the views of rank-and-file employees or of union officials, except insofar as these may have influenced the perceptions of the responding management officials. Nevertheless, the survey is a valid reflection of the views of operating managers at the field level.

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Record Shows Improvements

It might be well to note here that while speed of decisionmaking is an ever-present concern not only in the Federal program but in all labor relations systems—or the government process itself, for that matter—the record strongly supports the view that improvements have been made.

For example, during fiscal 1976, the Assistant Secretary issued 142 decisions (involving 291 cases) that were decided on the basis of records developed by Hearing Officers or on the basis of formal reports and recommendations of Administrative Law Judges. Estimates, based on a sample of 100 unfair-labor-practice decisions, show an average time-in-process of 13½ months from the filing of the complaint to the Assistant Secretary's decision. Comparable NLRB statistics for fiscal 1976 show that it is taking almost 12 months from the filing of the charge to Board decision. Thus, it is taking just 1½ months more for the Assistant Secretary to process these cases.

Likewise, the number of appeals filed with the Council during calendar year 1976 was the largest in the Council's history, and continued a steadily upward trend in case-filings. There were 157 appeals filed in 1976, representing a 22-percent increase over the 129 appeals filed in 1975—which, in turn, had represented a 24-percent increase over the 104 appeals filed in 1974.

Notwithstanding the increase in case-filings for the calendar year, the Council reduced the amount of time required to close the average case by a full month, or 15 percent, when compared with the amount of time required to close the average case in 1975. In 1976, the average case was closed within 6 months of its filing.

This, of course, is not to say that the program is without criticism—some justified, some self-serving.

It is said that the central authority is management-oriented, and this is true in the sense that in many years final decisions are made by the designated representatives of the President, who has been elected to administer the affairs of Government.

It is said that the scope of bargaining is too narrow, since it does not include wages, hours, and fringe benefits. This, too, is true because the Congress has seen fit to address these matters directly as the elected representatives of the people or to establish special mechanisms for their determination.

It is said that collective bargaining cannot truly work unless the parties come to the table as equals and they cannot be equal unless employees have the ultimate weapon—the right to withhold their services. This is not valid. The record both in and out of Government shows that collective bargaining can and does work without the right to strike.

It is said a labor-management system cannot work without some positive form of union security, or required payment of dues. Again, the record in and out of Government would indicate otherwise.

It is said some better accommodation than now exists between statutory appeals systems and negotiated grievance procedures must be found. There is evidence this and the related desire for complete "make-whole" remedies are valid concerns.

It is said that merit principles and collective bargaining are incompatible, but the record indicates they can, do, and must coexist.

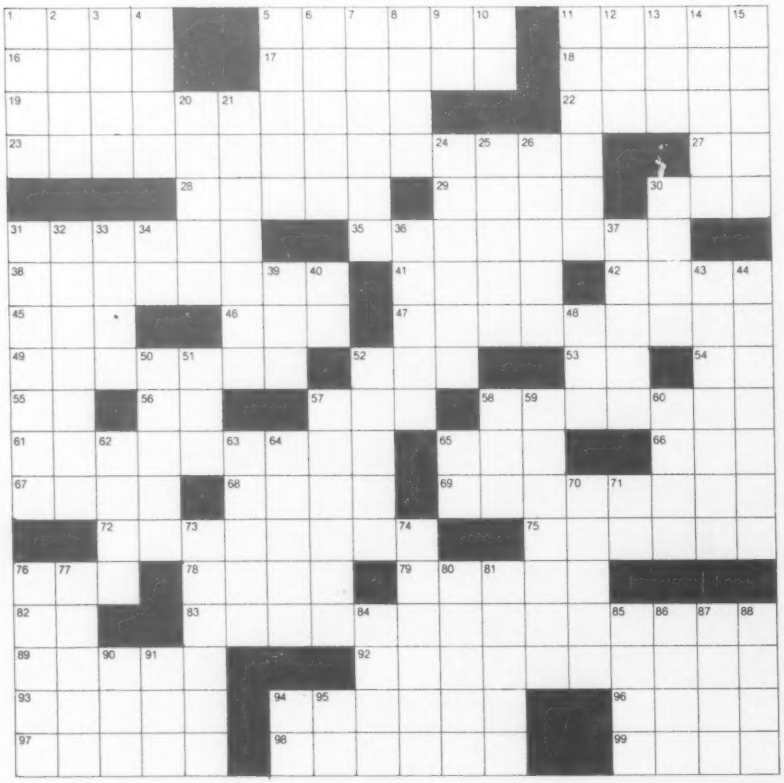
All of these concerns, and others, that have been raised from time to time are worthy of the fullest public exposure and dialog before the Government is committed to any new course of action.

But for the present program, whether viewed from Washington in a program context or from the field in an operating environment, the conclusion must be the same as that reached in the FLRC report cited earlier:

"The continued viability of the Federal labor-management relations program is dependent upon its flexibility and adaptability to meet changing times and conditions. The Council is convinced that during its 7-year stewardship a solid foundation has been constructed for a continuing effective labor-management relations program in the Federal service that can work, grow, and promote the optimum balance among all parties at interest—the Government, its employees, their union representatives, and above all, the public."

CSJ

The Issue at Hand



Howard Stevens

ACROSS

1. Religious group
5. Redford's friend
11. Kings and queens
16. Scarlett's home
17. New Orleans trumpeter
18. Open to view
19. Appraisal
22. Allude
23. Alan K. Campbell
27. Southern state
28. Boring
29. Domicile
30. Cleopatra's killer
31. Girl's name
35. Signs a memo
38. Not up to now
41. Soon
42. Inventory accounting method
45. Hammarskjöld
46. Temporary duty (abbr.)
47. (With 61 across) Coming trend in financial planning
49. Obsesses
52. Best in show (abbr.)
53. Printer's measure
54. Musical note
55. Underwriters' Laboratory (abbr.)
56. Chemical symbol for gold
57. Union of African States (abbr.)
58. Playhouse
61. See 47 across
65. Female deer
66. Operations Research Analyst (abbr.)
67. Kind of duck
68. Reverberate
69. Feed for livestock
72. Possess a risk
75. Type of rock
76. American Field Service (abbr.)
78. Belonging to the Narcotic Treatment Agency
79. Juliet's friend
82. Roughrider initials
83. Subject of 19 across
89. African language group
92. Underutilized resource
93. Collect
94. Street
96. Periods of time
97. Lure
98. Reinsert manuscript (instruction to printer)
99. Alaskan city

DOWN

1. Type of gun
2. Edge of roof
3. Animal's stomach
4. Soft stone
5. Of course (slangy)
6. Statesman Root
7. Amnesiac's question
8. Kind of skirt
9. Annual report (abbr.)
10. New Testament (abbr.)
11. Part of eye
12. Greeting
13. Ump
14. Remains
15. Lash
20. "The Fall of the House of _____"
21. Altar boy
24. Certain wines
25. Engine
26. Type of acid
30. Condition of sale
31. Uncertain
32. Color
33. Means (abbr.)
34. Exist
36. Brownshirts
37. Andean animal
39. Sullivan and Wynn
40. Cobb
43. Architectural style
44. Having a smell
48. Insect
50. Bird
51. Yet to be paid
52. _____ wind (braggart)
57. Open
58. Also
59. Hoover
60. Japanese battle cry
62. Pats
63. Fifty after
64. International Civil Service Advisory Board (abbr.)
65. Home of 12 percent of all Federal workers
70. Girl's name
71. Degree
73. Not fair
74. Given to traveling
76. Taking one's swings
77. Skeleton
80. "...and a bottle _____"
81. Specks
84. Sword
85. End of a prayer
86. Fiddler
87. Stuff
88. To be (Latin)
90. Viet _____
91. Kitchen measure (abbr.)
94. Like
95. Northern state

Answers on Page 33

WORTH NOTING

☐ NEW Civil Service Commission named: A new chairman, vice chairman, and commissioner have been nominated by the President and confirmed by the Senate.

Chairman is Alan K. Campbell, formerly dean of the Lyndon B. Johnson School of Public Affairs at the University of Texas.

Vice Chairman is Jule M. Sugarman, formerly chief administrative officer of Atlanta.

Commissioner is Mrs. Ersa Poston, formerly a member of the New York State Civil Service Commission.

☐ FEDERAL EMPLOYEE awarded $25,000 for energy conservation: The President presented Lawrence L. Guzick with $25,000. The Federal incentive award was presented to Mr. Guzick for designing a metering device that prevents steam-trapped pressure from escaping out of steam systems. The device has already saved the Navy more than 875,000 barrels of oil and more than a half million dollars in repair costs, a saving, so far, of about $10.5 million. Expected savings may total $40 million a year.

☐ REORGANIZATION ACT enacted, staff appointed; and personnel management system to be streamlined: The Reorganization Act of 1977 granted the President the authority—with certain exceptions—to abolish, create, shift, or consolidate Federal agencies or parts of them unless the House or Senate votes within 60 days to reject.

He cannot create, abolish, transfer, or consolidate Cabinet-level departments or independent regulatory agencies. The act is to expire in 3 years.

Richard A. Pettigrew, Dade County, Fla., is to serve as assistant to the President for reorganization. The Executive Committee on Reorganization is to be headed by the President and will include the Vice President, OMB Director Bert Lance, CSC Chairman Alan K. Campbell, Mr. Pettigrew, and Charles L. Schultz, Chairman of the Council of Economic Advisors.

In addition, Chairman Campbell announced a top-to-bottom study to reorganize Federal personnel management. Wayne Granquist, OMB's Associate Director, is vice-chairman, and Mr. Campbell is chairman. Dwight Ink, a veteran Federal official, was named executive director of the study called the Federal Personnel Management Project.

The project's objectives are to examine present Federal personnel policies, processes, and organization to determine what improvements are required and to recommend appropriate legislation, regulations, processes, and organizational solutions.

☐ CHAIRMAN urges assistance to disabled vets: Guidelines for the use of Federal facilities to give work experience for disabled veterans and for their employment on completing training have been issued by CSC.

Announcing the guidelines, CSC Chairman Alan K. Campbell said, "Unemployment among veterans is high, and among disabled veterans it is acute. I strongly urge Federal agencies to use these procedures as a means to help disabled veterans to become qualified for gainful employment."

The Veterans' Education and Employment Assistance Act of 1976 removes a restriction in the Fair Labor Standards Act that prohibited unpaid work in Federal agencies and permits unpaid training of certain disabled veterans in these installations under the Veterans Administration's vocational rehabilitation program. The measure also allows agencies to make noncompetitive appointment of veterans to jobs after successful completion of the training.

The Commission is encouraging agencies to make full use of this authority to provide training and employment opportunities for disabled veterans. Even those agencies that do not expect to be able to offer continuing employment because of ceiling or budgetary restrictions can still participate by providing training and/or work experience for disabled veterans.

Agencies interested in participating should contact the counseling and rehabilitation section of their local VA office.

☐ AFL-CIO asked to select three union officials for Pay Council: Acting jointly as the President's agent on Federal pay, CSC Chairman Alan K. Campbell and OMB Director Bert Lance asked George Meany, president of the AFL-CIO, to nominate three officials to represent the AFL-CIO as members of the Federal Employees Pay Council.

The Pay Council consists of five members, representing the largest Federal employee unions. The President's agent is required to meet with and give thorough consideration to the views and recommendations of the Council on the process, procedures, and amounts leading to the annual pay increase under the pay comparability law.

Three seats on the Council have been vacant since August 1, 1976, when the AFL-CIO members resigned in protest over the methods used and the amount of the 1976 pay increase for Federal white-collar workers.

☐ BACK PAY granted for "overlong" details: The CSC has alerted agencies that the Comptroller General recently affirmed and clarified his decision awarding back pay to Federal employees for "overlong" details to higher graded jobs.

In his decision the Comptroller General held that Federal employees who had been assigned to higher paying jobs for more than 120 days without prior CSC approval were entitled to retroactive promotions and appropriate back pay from the 121st day of the detail until they returned to their regular duties. The new ruling makes clear that the back pay entitlement depends upon the employee's meeting such conditions as the Whitten Amendment's time-in-grade requirements or other statutory requirements. (Details: FPM Bulletin 300-40, May 25, 1977.)

☐ EMPLOYEE'S representative may be vetoed: CSC regulations have been revised to provide that an agency may veto an employee's choice of representative in a grievance proceeding on the basis of the Government's priority needs, unreasonable cost, or conflict of interest or position. The employee may challenge the agency's decision to the agency head or designee and obtain a decision before proceeding with the grievance. The regulations also provide that an agency may challenge an appellant's choice of representative in a proceeding before the Federal Employee Appeals Authority on grounds of conflict of interest within 10 days of receipt of notice of designation; the challenge will be decided before the merits of the case are considered. (Details: FPM Letter 771-8, April 8, 1977.)

☐ BLUE-COLLAR pay reform: President Carter has endorsed a legislative proposal for reforms in the Federal (blue-collar) wage system, submitted to the Congress by former President Ford with his 1978 budget message.

In his 1978 budget revisions President Carter said, "This legislation would correct those provisions of current law that cause significant departures from the prevailing rate principle, result in unfair competitive advantage for the Federal Government, and unjustified payroll costs. Early enactment is strongly recommended by the Administration."

—Ed Staples

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